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NOTICE: An * indicates material not previously disseminated in electronic form.

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Key Developments

Official Denies Kremlin Plans To Postpone Elections

LD2909225495 Moscow INTERFAX in English 2213 GMT 29 Sep 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] Department Chief of the Kremlin Administration Andrey Loginov was speaking in an interview with INTERFAX's Presidential Bulletin. PB: What do you make of media allegations saying the Kremlin is again nurturing plans to postpone general elections? LOGINOV: Both the Russian president and his administration have strongly denied allegations saying the Kremlin wanted to reschedule the December election to next June and there are least grounds that ever before for such suggestions.

The president was and remains the guarantor of a democratic changeover of parliament as envisaged by the Russian constitution. In his message on government efficiency, Yeltsin described 1995 as the year of democratic elections to the Federal Assembly and his position on this remains unchanged. But an assessment of the initial phase of the election campaign complete with its unsavory moments is quite a different matter. And this is no wonder given the unprecedented number of applications for join the election campaign (over 50 blocs and movements were registered by September 25) makes some of them resort to ways of canvassing far removed from the norms of civilized conduct and ethics. PB: Will the election campaign be affected in any way if the Duma defeats the Chernomyrdin government? LOGINOV: There will be a dramatic change in the campaign which will degenerate into runaway criticism and populism. A no confidence vote will be self-defeating for the Duma since the deputies will demonstrate to the public at large their inability for constructive law-making in the remaining months.

The Duma's demarche is spearheaded against the Our Home is Russia election bloc having an earnest chance of winning the December poll. Our Home has a lot of labels, but I do not believe it to be a party of the managerial class. It is a bloc in its own right having a powerful infrastructure and intellectual potential and solid regional backing.

Gorbachev Not To Run in Election; May Seek Presidency

LD0210095995 Moscow Russian Television Network in Russian 0800 GMT 2 Oct 95

[From the "Vesti" newscast]

[FBIS Translated Text] Mikhail Gorbachev, ex-president of the Soviet Union, will not stand at the forthcoming parliamentary elections. This was reported to the RIA news agency by Vadim Zagladin, Gorbachev's current adviser.

As far as the presidential elections next year are concerned, according to Zagladin, the former Soviet president may enter the struggle for the highest post in Russia.

Khasbulatov Not To Run in Duma Elections

LD0110115095 Moscow ITAR-TASS in English 1107 GMT 1 Oct 95

[By Ruslan Maysigov and Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY October 1 (ITAR-TASS) — Former Russian parliament speaker Ruslan Khasbulatov, who headed an armed revolt against President Boris Yeltsin in October 1993, no longer wants to be a parliament member and will not run for the State Duma at December 17 polls if they are held in Chechnya.

"I shall not participate in elections", he told Tass Sunday and added that Chechnya should hold the polls.

"I came to Chechnya without election slogans and I am least of all interested in my own political career", he stressed.

Khasbulatov was arrested after the 1993 revolt was suppressed by tanks, but was later amnestied by the State Duma. Last month President Boris Yeltsin said at a press conference that bygones should be bygones and that Khasbulatov, an ethnic Chechen, should be involved in the peaceful settlement in the republic.

"All who enjoy popularity in Chechnya should work for the restoration of civil peace", Khasbulatov said adding that this was his main task. "I do not have any personal plans for the future", he added.

"Occupying top political positions I always said: one has to get used to quiet resignation from big politics", he said.

In a recent TV interview Khasbulatov said that the main problem in Chechnya was the existence of two governments — of the Moscow-backed one and of the separatists.

Lebed Interviewed on 'Versions' Program

LD2909105495

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 2125 GMT on 28 September on its "Versions" program, carries a 15-minute recorded interview with Lieutenant-General Aleksandr Ivanovich Lebed, former commander of the 14th Army in Moldova and Dniester and now running for parliament in Yuriy Skokov's Congress of Russian Communities bloc, by ITAR-TASS journalist Tatyana Zamyatina. The date and place of interview are not given.

Zamyatina says the Army has always been thought to be outside politics, but this changes as soon as an election campaign begins, and she wonders why this is so. Lebed recalls that the defense minister issued instructions in 1993 for the army to avoid any campaigning activity, which he considered to be a breach of his civil rights. Despite this, he complied with the order. Before the elections, he gathered his officers and told them to make up their own minds as to whom to vote for. Lebed said he would not vote for any of the candidates because he could not tell them apart. He says his officers told him, "We will vote for that halfwit Zhirinovskiy because he will keep the Duma awake." This voting pattern was confirmed by Dmitriy Olshanskiy, director of the center for strategic analysis and forecasting, who said Zhirinovskiy won the votes of about 60 percent of servicemen, much to the consternation of the Ministry of Defense.

Gen. Lebed adds, "But this April, when I was still in uniform, the defense minister gathered the top commanders-in-chief and the commanders of the military districts and individual armies at the range at Kubinka. He made it clear that from then on, we would be judged by the number of deputies we could get into the Duma." Thus the Army was driven from one extreme, of complete political non-involvement, to the other.

But why are generals so keen to get into parliament, Zamyatina wonders, and what is in it for Lebed? Firstly, Lebed answers, he is now a retired general. "Secondly, while still within the existing system, I tried to push through some improvements. After many of my attempts fell through and my experiments all resulted in failure, I concluded that it was hopeless to try to achieve change from within. In particular, the minister of defense does not need officers who have willpower, can think for themselves, or who have character and professionalism. He just needs yes-men. So the system has to be changed from the outside." Lebed continues, "That kind of authority was not for me. It was not my authority, in a state that was my enemy."

Lebed says that while still in uniform, he played by the rules. Zamyatina mentions rumors of him planning to seize power: "I heard that you were preparing a coup, only I could not make out whether it was in Dniester or Moscow. Where will you carry out your coup?"

"I am not into mutinies, as a matter of principle," Lebed replied. "On several occasions I could have used armed force to place myself in that kind of position. But I did not, as a matter of principle."

Zamyatina begins to question Lebed on his political prowess and his public image. Is he afraid of being used as a token general by more experienced politicians and then cast aside? Lebed says he is not. She says, "As soon as you sit before the camera, your face somehow takes on a rugged look and the shoulder muscles tense. Is that how you make your image? Do you think that is your main attraction?"

"Not at all, I feel fully relaxed," Lebed responds.

"So how do you like the Kukly program on NTV, which shows you using a mine detector to go mushroom picking in the woods?"

Lebed replies, "I think it is very funny, very witty."

The discussion moves on to the current state of Russia's Armed Forces. Lebed regrets the demise of the one-man-in-command principle [yedinonachaliye] and the level of verbal abuse. He estimates that Russia has 4.1 million men under arms, of which 1.85 million are in the Army and Navy. Accordingly, "We no longer have a minister of defense. We have a minister of the Army and Navy because there are 2.25 million men under arms with heavy equipment and air and sea power who are not subordinate to the defense minister...[pauses]

Zamyatina adds, "These are the border troops."

Lebed says, "These are the border troops, the Federal Security Bureau troops, the interior and emergency ministry troops, and so on." He continues, saying that previously, each arm of the forces had its own tasks: the KGB caught spies, and the Interior Ministry guarded important installations. But now, he says, the system is fragmented, "and, of course, every part has its own boss. I know that there are considerably more generals in the Russian Army than in the Soviet one. The one-man-in-command principle disappeared in 1988. We all dispersed throughout the trouble spots. From March 1988 to February 1991, I commanded an airborne division. Wherever I went, I never once received orders. In Baku on 19 January 1991, just before the troops were sent in, the minister of defense passed on his orders via my commanding officer. This is how he did it: The minister put his fist in that officer's nose and said, listen, you mother, get this passed on to Lebed. To this day, that is the level on which command is exercised. Nothing has changed. That kind of language [mat] is the basis on which the Army is commanded."

Zamyatina asks what specifically military issues should be tackled by the next Duma after the elections. "A good policy is a policy based on real strength," Lebed replies. "That kind of policy is respected and noted. Suffice it to recall what happened recently, when our president kicked up a fuss about Bosnia. They listened to him politely and did nothing because we have become weak. No one is preventing us from becoming strong, no one is preventing us from exploiting our resources for ourselves, for our children, and our grandchildren; no one is preventing us. We need to deal with this. We need to become strong again."

"Do you mean we should become stronger by making the army stronger, or by making the country's economy stronger?," Zamyatina asks. "By making the economy stronger as a consequence of making the army stronger by having a stronger economy," [sentence as heard] Lebed replies. "And the reverse applies, the Army will protect the economy." In the meantime, he says, the Russian economy consists of petty crooks dodging their taxes.

Zamyatina ends the program by noting that Lebed is being tipped for the defense minister's job if Yuriy Skokov, leader of the Congress of Russian Communities, becomes prime minister after the elections.

NDR Movement Supports Defense of Media

LD2909205395 Moscow ITAR-TASS in English
1912 GMT 29 Sep 95

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, September 29 (ITAR-TASS) — The "Our Home is Russia" [NDR] movement intends to submit to the Central Election Commission a draft of the "Memorandum on Defence of the Press as a Guarantor of Free and Democratic Elections" proposing to all blocs and associations participating in the election campaign to sign it.

This was stated by head of the election headquarters of the Our Home is Russia movement Sergey Belyayev at a news conference here today.

Parties and movements participating in the election campaign, should agree that they recognise the equality of all mass media, have respect for their positions and views, and make all efforts to guarantee real freedom of information, the draft of the memorandum says.

The document suggests that participants in the election marathon race should assume the role of guarantors of freedom of mass media and ensure effective defence against any encroachments on rights and freedoms, and journalists' professional duties.

The federal coordination committee of the Our Home is Russia movement made a statement the other day in which it expressed "serious concern in connection with the latest facts of threats and even beatings and attacks on journalists".

With the approach of the elections, attempts to intimidate disagreeable journalists may intensify, the federal coordination committee believes.

"The Our Home is Russia movement states its full solidarity with the democratic press. It demanded and will continue to demand from the public prosecutor's office and other law enforcement bodies more effective investigations of all similar facts," the statement stressed.

Belyayev Outlines NDR's Election Strategy

LD2909182795 Moscow ITAR-TASS in English
1538 GMT 29 Sep 95

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, September 29 (ITAR-TASS) — The "Our Home is Russia" [NDR] movement intends to tell journalists frankly about their principles of the approach to the election campaign, Sergey Belyayev, Chairman of the State Committee for Property and head of the election headquarters of the movement, told a briefing here today.

According to him, the Our Home is Russia movement does not cherish illusions about the real attitude of the people to the government.

"We understand how low the government's popularity is among the people, but it cannot be otherwise: the cabinet which worked during the most complex period, cannot be popular," Sergey Belyayev stated.

Indeed, life has become harder, and in the eyes of the people the government is to blame for this. The people are certainly right when they refuse to listen to government's reports about the growth of indices in this or that branch of the economy, and believe that life can be improved only by way of resolving major economic problems, he maintained.

Speaking on the strategy of the movement during the election campaign, Sergey Belyayev stressed that the

Our Home is Russia movement was not going to speed up the collection of signatures.

According to him, the movement will not use as targets in its election campaign their belonging to power structures and administrative methods of influencing the Russian population.

Agrarians Expect Land Ownership Issue To Boost Campaign

LD2909201395 Moscow INTERFAX in English 1632 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (INTERFAX) — Agrarian Party leaders think their opponents have backed themselves into a corner on the issue of land ownership and, more to the point, sale of land.

"Only the Agrarian Party and the left-wing forces will benefit from the purely propagandist campaign launched by the leader of the Our Home Is Russia, or Nash Dom, Viktor Chernomyrdin and the leader of the Party of Russia's unity and Accord Sergey Shakhray around the private land ownership.

The head of the Coordinating Center of the Agrarian Party election bloc Nikolay Sukhoy told INTERFAX on Friday that "the row around a referendum on Land ownership is indicative of complete bankruptcy of the right wing of Russia's political forces, first of all, the idea's author Sergey Shakhray."

According to him, the Agrarians believe that the problem on the land ownership "is unambiguously solved" in the Russian Constitution, articles 9 and 36 of which guarantee it. Thus, the referendum can only answer the question "whether city residents and rural inhabitants agree that the land which belongs to the cities and arable land become the subject of unlimited and uncontrolled purchase-sale."

People will "hardly believe another trick of pseudo-reformers," because after the voucher-granting campaign and misprivatization they came to realize who is who in the Russian politics," believes Sukhoy.

He warned that the Agrarian party will not only observe, as was the case earlier, how "politicians are again attempting to fool the people." Farmers' conferences which began in the country's regions on the initiative of the Agrarian party, "will also have their say," said Sukhoy.

PRES Petitions for Referendum on Land Ownership

LD2809175895 Moscow INTERFAX in English 1638 GMT 28 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 28 (INTERFAX) — The Party of Russian Unity and Accord (PRES) on Thursday [28 September] announced a petition campaign to force a referendum on private ownership of land, to be held simultaneously with the December 17 parliamentary elections.

The party, led by Deputy Prime Minister Sergey Shakhray, forwarded an open letter to INTERFAX Thursday, saying it proposed the ballot papers include the following question: "Do you approve the draft federal law "On Land?"

PRES hopes that the land issue will become a core issue to unite various political forces and lead most Russians to the ballot box.

PRES had created a referendum initiative group at its II congress on September 22. The Moscow Mayor's Office registered its list Thursday. "Therefore, all procedures required by the law "On the Referendum" have been complied with," according to the letter.

PRES called on Russia's public and political movements to combine their efforts in canvassing signatures.

Shakhray told INTERFAX that the PRES-developed draft law guaranteed private ownership of land and put agricultural land onto the market. The document provides for its use as security and the creation of an extensive network of land banks. Otherwise, no real investments will come to the industry and agriculture, he stated.

According to the document, the state will be entitled to regulate privatization of agricultural land.

Shakhray said the draft law did not impose forms of land management and use on Russia's regions, but granted them "broad rights" in this issue.

Shakhray said the document will soon be made public.

Deputy Speaker Opposes Military Joining Electoral Blocs

LD2909175995 Moscow INTERFAX in English 1338 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (INTERFAX) — Ramazan Abdulatipov, deputy chairman of the Federation Council, said that the involvement of the military in political blocs is dangerous.

Generals are likely to take part in national scale political confrontation, he told INTERFAX Friday [29 September].

The military should stay outside politics in order to preserve the stability and unity of the Armed Forces, Abdulatipov said.

"I call on all military personnel to concentrate on their duty, the protection of the country," he emphasized.

Regional Activities

Republican Party HQ Attacked in St. Petersburg

LD3009134995 Moscow ITAR-TASS World Service in Russian 1314 GMT 30 Sep 95

[By ITAR-TASS correspondent Yelena Yugina]

[FBIS Translated Text] St. Petersburg, 30 Sep (ITAR-TASS) — An armed raid was carried out on Friday night on the headquarters of Russia's National Republican Party in St. Petersburg. The raiders, armed with a TT pistol, opened fire, tied up Konstantin Ovchinnikov, the chairman of the party's Central Coordination Committee, and beat and tortured him. The raiders took away lists containing 30,000 signatures in support of the party and demanded the party's registration documents. When they did not find the documents, they smashed up the headquarters' premises.

State Duma Deputy Nikolay Lysenko, the chairman of the party, was in St. Petersburg at that time but, as Ovchinnikov told the ITAR-TASS correspondent, did not have time to collect the signature lists on his way to Pulkovo airport from where he was to return to Moscow, and thus escaped the raiders. Irina Zaytseva, secretary of the Party' Central Committee, who was also at the headquarters during the attack, confirmed that the raiders had made death threats against Nikolay Lysenko.

A police task force worked at the site of the incident all night, taking evidence, collecting statements, and interviewing witnesses. The investigation continues.

In connection with the incident, the National Republican Party intends to table a bill in the State Duma 'On urgent measures to be taken to ensure state protection for the central headquarters of electoral blocs and associations during the whole period of election campaign up until 18 December 1995.'

Daily Updates Regional Electoral Campaigns

954F3512A Novosibirsk VECHERNIY NOVOSIBIRSK in Russian 19 Sep 95 p 2

[Unattributed report: "Election-95"]

[FBIS Translated Text]**"Independents" Create Their Own Integral Bloc**

Yevgeniy Fedorov, State Duma deputy from Leningrad Oblast, has advanced an initiative to create the electoral bloc Independents [Nezavisimyye] for the upcoming elections. The parliamentarian believes that "many regional politicians who understand the specific needs and aspirations of people will classify themselves within this group for the election." In Fedorov's assessment, more than 100 candidates from Independents should be elected to the State Duma. The most important thing for them now is to unite and support one another.

Ryzhkov Will Not Refuse

Former Chairman of the USSR Council of Ministers Nikolay Ryzhkov, presently head of the election association Power to the People! [Vlast—Narodu!], has stated that if "left-centrist forces" nominate him in the presidential elections coming next summer, he will not refuse. Ryzhkov believes a candidate nominated not by a single party, but rather by an entire bloc of political movements, can be victorious.

Transformation of Shakhray?

Sverdlovsk Oblast Governor Eduard Rossel has announced establishment of the electoral association Transformation of the Fatherland [Preobrazheniye Otechestva], which in his view will constitute strong competition for the Chernomyrdin bloc. Rossel's bloc already includes Marina Salye's Free Democratic Party [Svobodnaya Demokraticheskaya Partiya], Nikolay Arzhannikov's Party of Human Safety [Partiya Bezopasnosti Cheloveka], Party of Consolidation [Partiya Konsolidatsii], and Free Will Party [Partiya Narodnoy Voli]. In the near future, Sergey Shakhray is also expected to join Rossel's bloc. Shakhray recently and suddenly left the ranks of Russia Is Our Home [Nash Dom Rossiya].

Better the Soviet Than the Duma

Anatoliy Stepanov, general director of the joint-stock company Novosibirsk Canned Meat Products, has rejected the idea of running for the State Duma, although he received proposals in this regard. Stepanov believes it would be far more useful to be in the oblast soviet, of which he is presently a deputy and for which he again intends to campaign in the upcoming elections—an example worthy of imitation by many of our present candidates for parliamentary office....

Regions Anticipate New Role in Elections

954F3530A Moscow OGONEK in Russian Sep 95 No 37, pp 18-19

[Article by Galina Kovalskaya under the "Russian Politics: The Federation" rubric: "Queuing Up for Powers?

The Regions Are Getting Ready for a New Role. The Center, Too"]

[FBIS Translated Text] Was it that long ago that it appeared impossible to sign a bilateral treaty on delineation of powers with Tatarstan? Has it been that long since the Moscow "centralizers" were shouting about the absurdity of a "treaty between the whole and its parts"? And now at the solemn celebration of the five-year anniversary of Tatarstan's declaration of state sovereignty, the prime minister is reading a congratulatory cable from the president, a cable that says, among other things, that Tatarstan's example is to be emulated by others. Nobody notices anymore that during the same time Moscow is signing a similar treaty with a sixth republic of the Russian Federation—this time, Buryatia. And anyway, who cares about Buryatia when after the meeting between the newly elected Urals Governor Eduard Rossel and Yeltsin a green light was given to drafting bilateral agreements with Sverdlovsk Oblast.

Whether all the regions will line up right away to the service window where they hand out the powers or this process will stretch into a year or a year and a half depends on many factors, not the least among them the prudence and common sense of the central authorities. In any case, the Urals precedent has illuminated with utmost clarity that the undercurrent process of building new federative relations, the redistribution of powers from the Kremlin to regional capitals will now proceed much more speedily.

What place is reserved in this process for the gubernatorial elections? So far neither Lipetsk, nor Bryansk, nor Penza—none of the oblasts where governors have been elected and not appointed--have gained greater independence for themselves than their neighbors with "presidential appointees." True, the governors who managed to get elected in the spring of 1993—that is, before the autumn putsch and the subsequent ban on elections—have in a way a dual status. The president's administration considers these elections "illegitimate," since the presidential edict prescribes that everyone be appointed, and there was no law at all on organizing local self-rule at the time. (By the way, there is still none. Or rather, the Duma adopted it in the third reading, but then it got lost either in the Federation Council or in the presidential structures.) But what the presidential administration believes is, so to say, its own internal affair, because the elected heads of oblast executive authority were later "appointed" to the posts without a word. So, in the president's eyes, Orel Governor Stroyev, for instance, is an appointed official, while in the eyes of Orel region residents he is an elected one.

With Rossel, of course, everything is different. No dual status, no "appointment." Actually, experts from the Analytical Center under the RF [Russian Federation] president say that there was no unanimity regarding the Urals affairs even in the president's immediate entourage. After all, the outcome of elections was clear from the very beginning, and the go-ahead for them already meant blessing Rossel. There are rumors that the RF president's chief of staff Sergey Filatov—who, as is known, was the chief ideologist and inspirer of Rossel's dismissal—is watching with despair and horror the latter's return to big politics, while Yeltsin's chief aide and right hand Viktor Ilyushin, through whom the decree permitting the elections passed, is much more sanguine. The generally benevolent tone of the meeting between the two Urals natives—Yeltsin and Rossel—seem to indicate the same.

Rossel's experience has already inspired Perm. The Perm Oblast Legislative Assembly adopted a decision on gubernatorial elections long ago—like Yekaterinburg, Perm demands equalization of the status of all federation components and, correspondingly, the same degree of independence for its bosses as for Tatar or Bashkir bosses—but the current head of the Perm executive authority vetoed this. After Rossel's victory, the veto was easily overridden, and Perm Oblast, following the example of Sverdlovsk, will petition for permission to hold elections. The permission had better come soon—the elections are set for 17 December (it is cheaper and more convenient this way), which means that it would be good to have Yeltsin's approval by 17 September. For the event of a refusal, Perm, like Sverdlovsk in the past, has readied a petition for the Constitutional Court. Fifteen more oblasts and krays also are asking for permission to hold elections.

During Soviet times there was a tradition that a certain regional clan emplaced itself in Moscow, and the elite from the supplying region was proud of their home folks in high posts and accepted from them a certain special patronage. To a certain extent this tradition remained in place until recently—it is not accidental that Yeltsin's team has sometimes been called the "Sverdlovsk team." Today it was their native region that declared the wish to distance itself from the Kremlin, and the leader—a native of these parts—expressed his approval. It appears the role of central authority will have to be reduced more to one of balancing between regional elites without particular ties to any particular one.

Will it be possible to implement such perestroyka peacefully? Or are we on the threshold of a new serious conflict of authority, regions, and the center? It looks like it will depend on how many, in the final analysis, will wish to establish executive authority independent of Moscow. If we are talking about several oblasts, it is unlikely that the presidential structures will object. After all, they gave permission to run both to Rossel and to Nizhniy Novgorod Governor Boris Nemtsov—and without any Constitutional Court! If, however, it turns out that there are more than half of such oblasts, the central authority apparently will use all its might to at least stall regional elections until after June 1996.

[begin box] S. Shakhray proposed to E. Rossel to create a bloc that would include the PRES [Party of Russian Unity and Accord], the Transformation of the Fatherland [Preobrazheniye Otechestva] movement, and the Union of Russian Cities [Soyuz Rossiyskikh Gorodov]. The question of creating an electoral bloc will be decided at the Transformation of the Fatherland congress, which is supposed to be held at the end of September.

E. Rossel said that the movement's regional representatives from St. Petersburg, Tyumen, Novosibirsk, Irkutsk, and Penza will participate in the congress. Transformation of the Fatherland's branches have been organized in 56 regions of Russia. [end box]

Expert Opinion

Mikhail Afanasyev, Analytical Center under the RF President:

The desire to earn a mandate from the population stems not from the political orientation of a particular governor—it depends solely on how secure he feels in the region. For instance, the reformer Nemtsov and the conservative Kovalev (Voronezh Oblast) are equally interested in local elections. One can confidently expect such initiatives from Yevgeniy Nazdratenko (Maritime Kray). (Recall that it was Nazdratenko who attempted to hold local elections in the fall of 1993, and this is what prompted the ban on local elections.) But where the local governor is afraid of elections, a petition may be initiated by legislative assemblies headed by a more or less strong figure. For instance, in Kuzbass the disposition of forces is such that Aman Tuleyev is the unquestionable charismatic leader, while his opponent—the "presidential" governor Kislyuk—has no chance of being elected.

Local Time

YAROSLAVL

Anatoliy Lisitsyn, head of the Yaroslavl Oblast administration:

Society is continuously developing. We have matured to the point of gubernatorial elections. In any case, I support them.

KURSK

At the oblast duma meeting, head of the administration Vasiliy Shuteyev said that the governor should be elected by the entire oblast population. This gives him more independence not only from the center but also from regional politics. The statute on elections of the head of local administration has been included in Kursk Oblast's draft charter.

BARNAUL

At the beginning of summer Altay lawmakers adopted the kray charter, which stipulates that the head of the administration is elected by the legislative assembly (50 persons). Administration head Lev Korshunov filed a complaint against this decision with the RF Constitutional Court and the president personally. A conciliation commission was created, which is sorting out this conflict.

According to the administration head's press service, such clashes also occurred in Tambov and Saratov.

KEMEROVO

Head of the administration Mikhail Kislyuk is categorically against gubernatorial elections. In his opinion, the country needs a strict vertical chain of executive authority. That is why the system of appointments must be preserved. A few days ago it was four years since Yeltsin appointed him to his current job. As he puts it, the point is not that he does not want to lose his job (Kislyuk has no doubt that, should there be elections, Tuleyev would win). His concern is that with the communists' coming to power, everything that has been built with so much effort over the past four years will be destroyed.

KALININGRAD

Head of the local administration Yuriy Matochkin is not afraid of elections at all—indeed, he has no competition in the oblast. However, both he and the oblast duma, which is in solidarity with him, also support the strict vertical chain and believe that executive authority should be appointed by the president. In the administration head's opinion, this does not at all impair one's independence.

STAVROPOL

Yevgeniy Pismennyy, deputy head of the Stavropol Kray administration:

Elections of the executive authorities in the region are an inarguable and inalienable right of society. The current procedure of appointment from the center is a dam across the road of its free and normal development, atavism of sorts. An appointed governor is tied hand and foot, subordinated to any functionary in the capital. The votes given to him by the electorate remove this dependence and allow him to use his capacity to the maximum. In this sense, we can only cheer the elections in Sverdlovsk Oblast. But the man the voters bring to the pinnacle of power must learn to moderate his ambitions: The natural desire for independence should not be replaced by attempts at "sovereignization."

Election Guidelines

Commission Issues Guidelines for Servicemen

LD2909124995 Moscow ITAR-TASS World Service in Russian 1644 GMT 28 Sep 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 28 Sep (ITAR-TASS) — Servicemen of the armed forces, internal troops, the federal border service and other departments which have military units subordinated to them have the right to vote in elections to and to be elected to the State Duma in accordance with the Constitution. This is noted in Explanations on the procedure for implementing the electoral rights of servicemen which were confirmed today by the Central Electoral Commission of the Russian Federation.

They stress that it is inadmissible "to restrict the active or passive electoral right of servicemen for reasons connected with the nature, conditions, length or location of their service or deployment."

In accordance with the law on defense, all political campaigning, including election campaigning, is banned on the territory of military units and institutions. The law on the elections of deputies of the State Duma forbids election campaigning and the distribution of any election propaganda material in military units and military institutions. Servicemen in their free time when they are outside the military unit can take part in meetings between electors and candidates and in other electoral measures. The command of the unit must inform their subordinates about electoral associations annd candidates.

Servicemen in military units which are located outside Russia enjoy full electoral rights. Here attention is drawn to the fact that information about the number and location of military units is not to be divulged.

Ryabov: CEC Must Enable Voters To Make 'Informed Choice'

LD2909175795 Moscow INTERFAX in English 1338 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (INTERFAX) — The Central Election Commission [CEC] has certified the electoral lists of over 60 blocs and alliances, commission chairman Nikolay Ryabov told a conference of chairmen of regional election commissions Friday [29 September].

As a result, he said, on the election day voters will perhaps have to be given a booklet rather than a sheet of paper for voting.

Ryabov made it clear that the CEC should enable every voter to make an informed choice. In his view, the commission should faithfully abide by the regulations in order to make the elections truly legitimate and democratic.

Ryabov called on the leaders of electoral blocs to be more careful with the collection of signatures in support of their candidates. Ryabov said that major irregularities have been found in the lists of signatures in support of the Communist Party of the Russian Federation. According to Ryabov, the party leaders relied on the signature collectors and did not check whether all the rules were observed in filling the forms out. Ryabov mentioned omission of the date or the passport number among the characteristic faults.

Ryabov called for openness in the operation of the election commissions. Not a single document should be closed to the public, he said. "The list of electors is the sole exception," he said. Ryabov explained that every citizen has a right to check whether the data on him/her in the list is correct but he/she cannot have free access to the data on other citizens.

Ryabov said that the process of forming territorial and precinct commissions should be completed before October 17 and November 2, respectively.

Supreme Court Backs Commission on Registration Suit

LD2909200695 Moscow INTERFAX in English 1632 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (INTERFAX) — Russia's Supreme Court met in session on Friday [29 September] to turn down the suit filed by the Union of Student Councils of Russia, which asked to declare void all decisions by the Central Electoral Commission to register those election alliances which do not have rules of their own.

Union leader, deputy chairman of the State Duma's committee for public associations Vladimir Lepekhin, who filed the suit in the Supreme Court, argues that the absence of rules of an election alliance runs counter to the law on public associations.

Meanwhile, Central Electoral Commission official Olga Kirillova says that the commission is guided by another law, "On the Elections of State Duma and Federal Assembly Members," which does not require election blocs to present their rules alongside other documents. Kirillova said that election blocs were not public associations and for that reason the law on public associations did not apply to them.

After the Supreme Court session Lepekhin said in an interview that he was now going to take the case to the Constitutional Court.

International Body Funding CIS Conversion Projects

MM2909110995 Moscow IZVESTIYA (Financial Section) in Russian 29 Sep 95 p 1

[INTERFAX report: "$6 Million Allocated for CIS Conversion Projects"]

[FBIS Translated Text] The International Scientific and Technical Center [ISTC] set up on the initiative of Russia and a number of Western countries to gear the efforts of scientists developing weapons in the former USSR republics to the implementation of peaceful projects has announced the allocation of $6 million for the funding of 23 new civil scientific and technical projects in a number of the CIS countries.

ISTC representatives have in particular drawn attention to the projects being developed by Moscow Oblast's "Luch" Science-and-Production Association (Podolsk). Within the framework of its conversion program the science-and-production association is ready to move on from the development of experimental models to series production of nuclear reactor cores using the thermal-emission method of transforming thermal energy into electricity and also to organize production of 10-100-kilowatt lasers for welding and cutting metal, granite, concrete, and stone.

The ISTC — set up in 1994 by Russia, the European Union, the United States, and Japan — is currently funding 180 projects to the tune of over $75 million. Projects are being implemented in Russia as well as in Kazakhstan, Georgia, Belarus, and Armenia, which have acceded to this organization.

CIS Consular Services Draft Uniform Exit, Entry Rules

MK2909143795 Moscow KOMMERSANT-DAILY in Russian 22 Sep 95 p 3

[Report by Valeriya Sycheva: "'Persona Non Grata' Will Become an International Notion"]

[FBIS Translated Text] The fifth session of the Consultative Council of CIS State Consular Service chiefs has been held at the Russian Foreign Ministry. Its main outcome is the coordination of a draft agreement regulating procedures for CIS citizens' exit and entry to third countries. Vasiliy Vinogradov, director of the Russian Foreign Ministry Consular Service, commented on the essence of the document as well as the course of the session in an exclusive interview with KOMMERSANT-DAILY.

The word combination "exit and entry procedures" today is hardly applicable to CIS citizens going abroad or returning from abroad: There are no procedures. CIS border guards are dazzled by the diversity of documents that are presented to them: Each republic has its own set of papers required to clear border, customs, medical, phyto-sanitary, and veterinary controls. Neither are there coherent instructions in the event that border guards discover forged documents or contraband. Corresponding republic agencies do not exchange data about citizens who have been denied the right to travel abroad: Therefore even criminals often have no particular problem going abroad: It is enough to leave from another CIS state. There is no uniform center to monitor the movement of Commonwealth citizens across the post-Soviet space. More than a year ago CIS Foreign Ministry Consular Services, led by the Consultative Council, began to work out an agreement to sort out these problems. Now this work is nearing completion. Vinogradov said that the draft agreement will be reworked in three months (this involves minor corrections) and will be presented to the CIS Executive Secretariat, then submitted to Commonwealth government agencies for approval.

The agreement stresses that the CIS citizen must cross the border according to the laws and rules of the state from whose territory he goes outside the Commonwealth (unless otherwise provided under bilateral or multilateral agreements). For instance, a Russian citizen must leave Belarus according to Belarusian laws. Grounds for exit are national foreign passports (or documents replacing them) with the visa of the country of entry and the country of transit (again if not otherwise stipulated under bilateral or multilateral agreements). It also provides for a prompt exchange of information between the consular services of CIS states about changes in exit documents and methods of verifying their authenticity.

What is basically new about this? First of all, an information pool will be created to exchange data on "persona non grata." According to Mr. Vinogradov, agreement was reached to set up a single center to monitor the movement of CIS citizens and foreigners within Commonwealth borders (this information will be kept in a library, subsequently in computerized form). The list of documents required to pass through border controls will be uniform for all CIS states, while smugglers or those traveling on forged documents will be extradited to the relevant agencies of the country of residence. And here is the good news for CIS citizens who temporarily study or work under contract outside their country (but within the Commonwealth): They will be able to obtain a foreign passport at the place of their temporary residence. Issuance procedures will be worked out within three months of the agreement's entering into force.

The agreement was approved in principle by all delegations. Only the Ukrainians said that they do not intend to sign it. They attributed this, vaguely, to "inexpediency." According to Mr. Vinogradov, it is difficult to understand Kiev's position. If Kiev fears rebukes of a pro-CIS orientation, this, according to the director of the Russian Foreign Ministry Consular Service, is at least strange: What is involved is merely coordination of consular service work. Yet another question has been coordinated: on the powers of Russian consular offices abroad to defend the rights of CIS legal entities and private individuals. Strictly speaking, Russian diplomats also helped them in the past, but now, according to Vinogradov, foreign countries have begun to obstruct such activity, questioning its legality. Now there will be legal grounds for it: The foreign ministries of Commonwealth states will send corresponding notes to their foreign colleagues. The session also discussed problems of compatriots in the CIS. Ukraine proposed concluding treaties to prevent dual citizenship, while Kazakhstan suggested simplifying procedures for granting citizenship to citizens from other CIS states. The council came to the conclusion that these agreements may be concluded only on a bilateral basis.

As for the general atmosphere of the session, according to Mr. Vinogradov, over two years of cooperation it has changed substantially. First debates were reduced to "nationalist hassles," but now they are conducted "in a constructive and equitable spirit." According to Vasiliy Vinogradov, the main thing is the awareness that it is better to straighten things out together.

Baltic Trade, Industry Ministers Hold News Conference

WS2909114995 Tallinn BNS in English
1000 GMT 29 Sep 95

[FBIS Transcribed Text] Vilnius, Sept 29, BNS — Despite internal competition, Lithuania, Latvia and Estonia must intensify their cooperation and partnership, seeking at the same time access to the European market and to the East, the ministers of industry and trade and of the economy of the Baltic countries stated.

At a press conference on Thursday, journalists were informed about a conference which had just concluded between the Lithuanian minister of industry and trade, the Latvian minister of the economy and the Estonian minister of economic affairs. Opportunities for cooperation between the three countries, inter-Baltic trade and issues of information exchange were discussed.

Kazimieras Klimasauskas, the Lithuanian minister of industry and trade, said that all issues discussed were resolved concretely. The leaders of the three delegations stated unanimously that in the course of time all customs barriers between them would be removed and a single customs zone would be created.

Margus Leivo, chancellor of the ministry of economic affairs and head of the Estonian delegation, said that the three ministries had agreed to seek to create better conditions for industrial coordination. It was indispensible that the countries know more about one another for this purpose. Leivo said Lithuanian investments in the Estonian economy came to only 32 million Estonian krones and Latvia's investments amounted to only 1 million krones. The delegation leaders said that the way out of this dilemma was adopting more economic and fewer political resolutions.

The delegation leaders stated that mutual understanding had prevailed at the meeting and that it had been a good start for future collaboration.

Conferences of this sort will be held twice a year in the future. Janis Zvanitajs, Latvian minister of the economy, said that at the next meeting specific proposals made by ministerial working groups would be discussed and a treaty on cooperation between the ministries would be signed.

ITAR-TASS Carries Press Review for 30 Sep

LD3009072595 Moscow ITAR-TASS in English
0601 GMT 30 Sep 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, September 30 (Itar-Tass) — Under the headline "Russian space reconnaissance works for Clinton", the KOMSOMOLSKAYA PRAVDA newspaper runs an article today on how [illegible] snapshots of the Earth's surface are sold for a song to American intermediaries.

"The military in Russia are strictly forbidden to be engaged in commercial activities," the daily writes. "There are presidential decrees and directives of the Defence Ministry on this point.

"However, the U.S. Aerial Images company and Russian Sovinformsputnik, with direct participation of the Russian Defence Ministry, signed a contract in July 1995, under which our military department took an obligation to hand over to Americans several hundreds of archive photographs made by Russian space satellites."

The newspaper reports that "Americans intend to pay 50 dollars for one square kilometer of areas to be indicated by them. This is 70 percent cheaper than by ordinary aerial photography. Besides, the Defence Ministry will be forced to pay about 50 percent of revenues to Sovinformsputnik as a direct partner in the contract".

In this connection, KOMSOMOLSKAYA notes: "To all appearances, our Defence Ministry is ready to earn money by anything in order to improve somehow its deplorable financial position. Sharp Moscow traders involve, all the time, brass hats and government officials in such deals which clearly smack of crime".

KOMSOMOLSKAYA PRAVDA stresses that "crimes connected with secret sales of the Russian best tank T-80U to Britain and the world's best air defence missile system S-300 to the United States have not been exposed up to this time".

The IZVESTIYA newspaper returns to a story when four sailors of the Pacific Fleet died of hunger. The article entitled "Crime on Russkiy Island: no end to investigation" notes that the investigation is deliberately dragging feet.

The main blame is shifted onto petty officers, while real culprits got off with slight scare. Some of them were even promoted. "Corporate naval interests have turned to be stronger than lawfulness," the newspaper writes.

The daily devotes two articles to the election campaign. These are "Virgin soil not upturned by chairman Lapshin (Eds: reference to the fact that Lapshin is leader of the Russian Agrarian Party)" and an interview with Sergey Belyayev, head of the election headquarters of the Our Home is Russia movement.

Belyayev discourses upon a possible resignation of the government and the premier in connection with the resumption of work by the State Duma (Russian parliament lower house) on October 4.

Asked by IZVESTIYA whether the premier controls the situation in the country and the economy, Belyayev replied that "this is a difficult question. Yes, he does. But there are channels for implementing adopted decisions which are often blocked or deliberately distorted in localities".

Belyayev cited a specific example with decisions concerning funds appropriated to the agro-industrial complex.

Belyayev refuted rumours about a possible resignation of Chernomyrdin, which appeared after a meeting between the Russian president and Yuriy Skokov, leader of the Congress of Russian Communities movement, in the Black Sea resort city of Sochi where Boris Yeltsin is on his annual leave. Belyayev called these rumours "a provocation".

Under the headline "Military construction as an inalienable part of establishing Russian statehood", the army newspaper KRASNAYA ZVEZDA runs an article on problems of the army and on new approaches to their solution.

Army General Mikhail Kolesnikov, chief of the Russian General Staff, expresses his viewpoint on this question in the daily.

How is it possible to pay house rent, for communal services, telephone, transport and to feed one's family without receiving wages in time? asked the trade union newspaper TRUD in its address to Russian cabinet members.

Their opinions on this question were expressed by first vice-premier Anatoliy Chubays, Minister for Social Protection of Population Lyudmila Bezlepkina, Labour Minister Gennadiy Melikyan and other statesmen.

Chernomyrdin Interviewed By Canadian Newspaper

On Reform Achievements, Arms Control

LD0110152095 Moscow ITAR-TASS in English 1309 GMT 1 Oct 95

[By Nikolay Setunskiy]

[FBIS Transcribed Text] OTTAWA October 1 (Itar-Tass) — "One of the main achievements in democratic reforms in Russia is that many people in Russia have succeeded in availing themselves of the fruits of perestroyka and actualising themselves and revealing their potential," Russian Prime Minister Viktor Chernomyrdin told the newspaper Toronto Star in an interview given in connection with his forthcoming visit to Canada on October 4-6.

Market-determined relations evolve. A commodity market civilised enough, albeit not an ideal one, has been established, alongside of a market of capital and a securities market, the Premier said. At the same time Chernomyrdin pointed out that "not all people are satisfied with the process because their living standards have declined." "For objective reasons we have not been able to help everyone," he said.

Speaking about Russo-Canadian relations, Chernomyrdin pointed out as follows: "The approaches of Russia and Canada to a number of topical international problems are similar in many respects, including those on non-proliferation of nuclear weapons, a reform of the United Nations Organisation, the establishment of a European security model for the 21st century, and the need to raise the effectiveness of peacemaking efforts in which Canada has gained a certain useful experience".

The Russian Premier also said that there are certain dissimilarities in the two countries' approaches to such problems as "NATO expansion plans" or "the Alliance's strong-arm actions in Bosnia".

"We resolutely oppose NATO's eastward expansion. The very presentation of such plans leads to a revival of the 'dividing lines' psychology and obviously runs at variance with the tendency towards integration and cooperation based on common values," Chernomyrdin said.

Touching upon Moscow's position on conventional arms control, the Premier described flank restrictions under the Treaty on Conventional Forces in Europe (CFE) as "the most acute problem now". It is already for two years that Russia has been seeking a solution to the issue, Chernomyrdin said. "In recent days NATO partners came forward with a proposal, thus making a step in response to our concern. We are studying the proposal and regard it as a sign of NATO preparedness for substantive talks in a search for accords," he said.

About the strategic arms limitation problem, Chernomyrdin said that "Russia makes active efforts towards bringing the START-2 Treaty into force." "The START-2 ratification process will undoubtedly be influenced by the state of affairs concerning the Anti-Ballistic Missile (ABM) Treaty. We proceed from the need to keep the Treaty intact and strictly observe it, for cuts in strategic offensive arms are impossible to effect without that," the Russian Premier said.

On European Security, NATO Expansion

LD0110143695 Moscow ITAR-TASS in English 1219 GMT 1 Oct 95

[By Nikolay Setunskiy]

[FBIS Transcribed Text] OTTAWA October 1 (Itar-Tass) — Russia proceeds from the need to make unflagging efforts to stregthen security and stability in Europe and build on the existing positive potential in this respect, Russian Prime Minister Viktor Chernomyrdin told the Canadian newspaper Toronto Star in an interview published in the Saturday edition of the newspaper.

"The events in Bosnia indicate that there should be no complacency in this respect, for setbacks are too costly. This is why we came forward with an initiative at the OSCE [Organization for Security and Cooperation in Europe] summit in Budapest to fashion a model for general and comprehensive security for the continent. The suggested security model must help overcome the trend towards a new delimitation and help make progress not only in the comprehension of new realities but also in the elaboration of collective answers, which should qualitatively differ from the entire past experience, to challenges and not only military ones," the Russian Premier emphasised.

At the same time "we do not reject other ways to overcome the Cold War leftovers, including ways suggested by our Western partners. This also applies to the Partnership for Peace programme which should also work for European stability," Chernomyrdin said.

In response to a question about Russia's attitude to "NATO expansion plans", the Premier stated: "We resolutely oppose NATO's eastward expansion. The very presentation of such plans leads to a revival of the 'dividing lines' psychology and obviously runs at variance with the tendency towards integration and cooperation based on common values." Objectively, it is question of attempts to change the geopolitical, military-and-strategic situation, which would affect the national interests not only of Russia, which would watch to see the extent to which NATO takes into consideration Russia's concern and on the strength of that would decide on how to build relations with the Alliance subsequently, Chernomyrdin said.

In the interview taken in connection with Chernomyrdin's forthcoming official visit to Canada on October 4-6, the Premier also stressed that the Partnership for Peace programme should by no means be turned into a 'preparatory class' for entering NATO and that the Programme's stated goals were based on realistic, not imaginary, requirements of the post-confrontation period. "To us, attempts to change the purpose of the Programme and direct it along a different track are unacceptable," the Russian Premier stated.

Notes Ongoing Need for Ties With West

LD0110075895 Moscow ITAR-TASS in English 0623 GMT 1 Oct 95

[By Nikolay Setunskiy]

[FBIS Transcribed Text] OTTAWA October 1 (Itar-Tass) — Russia and Canada are faced with important foreign policy tasks such as, in particular, joint work to prepare a G-8 summit in Moscow on nuclear security and a G-8 summit in Lyon, Russian Prime Minister Viktor Chernomyrdin told the Toronto Star newspaper in an interview summarised in the Saturday edition of the newspaper. The Russian Premier answered the newspaper's questions in connection with his forthcoming visit to Canada on October 4-6.

The approaches of Russia and Canada to a number of topical international problems are similar in many respects, including those on non-proliferation of nuclear weapons, a reform of the United Nations Organisation, the establishment of a European security model for the 21st century, and the need to raise the effectiveness of peacemaking efforts in which Canada has gained a certain useful experience, Chernomyrdin pointed out.

"Russia and Canada maintain fruitful contacts in the exploration of the Arctic and the North. We conduct an active dialogue on the problems of the Asia-Pacific region. We also count on Canada's energetic assistance in bringing Russia into economic cooperation institutions in the region," the Premier said.

"Common sense suggests that one should not expect our countries' approaches to coincide on the entire spectrum of problems," the Russian Premier pointed out.

"There still are divergences of opinion, and they are well known — be it on the NATO enlargement issue or the Alliance's strong-arm actions in Bosnia. But the existing differences should not eclipse the most important thing, namely, that while seeking jointly to overcome them to ensure stability and security in the world we so painstakingly work to steer matters towards cooperation and foreign policy coordination with Canada and other Western partners," Chernomyrdin emphasised.

Kozyrev on 13-15 Oct Moscow Meeting on Bosnia

LD0110164295 Moscow ITAR-TASS World Service in Russian 1502 GMT 30 Sep 95

[By ITAR-TASS diplomatic correspondent]

[FBIS Translated Text] Moscow, 30 Sep (ITAR-TASS) — A Moscow meeting of the foreign ministers of the Contact Group on Bosnia will take place on about 13-15 October, Russian Foreign Minister Andrey Kozyrev told an ITAR-TASS correspondent after a visit to the United States, where Kozyrev took part in a UN General Assembly session.

The schedule of Moscow consultations needs to be finalized taking into account the outcome of an expanded session of the Contact Group due to take place in Rome in early October. The minister said Russia was now trying to make sure that the Moscow meeting or the preparations for it will lead to substantial progress in settling the Bosnian crisis. "The key issue is to ensure a cease-fire throughout Bosnia," he said. In this connection, Kozyrev drew attention to a number of decisions taken by the UN Security Council, which had been adopted on Russia's incentive and which "demanded that the Muslim-Croat party should stop fighting."

The foreign minister of the Russian Federation also expressed satisfaction with the progress of the talks on the Yugoslav settlement. Nevertheless, in his opinion, many unresolved issues remain, primarily associated with reviewing the map dividing Bosnian territory. True, this concerns areas that are not very large, but each square kilometer, he added, will have to be given up, if not actually by the blood of the warring sides, at least through tremendous efforts by the diplomats.

To talk about the mechanism of the post-crises settlement, Kozyrev thinks, is as yet premature. This is "not the issue of tomorrow." Its tackling will depend on the nature of the agreements. At the same time, he stressed, there are major doubts that such a "huge force" is necessary to supervise their implementation, as that suggested by the Western partners — 50- 60,000 men — if all three sides in the conflict support the proposed variant of resolving the issue.

There are other issues, including that of command of the new peacekeeping forces [deleting extraneous words]. In any case, the Russian side considers "incorrect the approach only under the command of NATO."

Luckily, the minister stressed, there is time and political willingness for finding a "more elegant way out" of the situation and providing equitable participation of the Russian side in the matter of the Yugoslav settlement. This is the so-called "partnership variant" that was discussed during the many meetings in New York and Washington.

In conclusion, Kozyrev stressed that he does not exclude the possibility of finally sorting out the Yugoslav conflict at the forthcoming meeting of the presidents of Russia and the United States on 23 October.

Command of B-H Settlement Must Be Equal

LD3009190795 Moscow NTV in Russian 1900 GMT 30 Sep 95

[Video report by unidentified correspondent with recorded remarks by Foreign Minister Andrey Kozyrev; from the "Segodnya" newscast]

[FBIS Translated Text] [Correspondent] Russian Foreign Minister Andrey Kozyrev, who returned from the United States today, told journalists of the Russian side's disquiet over the Bosnian settlement issue. Touching on the theme of the forthcoming military operation in which Russian Armed Forces are also to participate, Kozyrev voiced doubts about the expediency of using the 5,000-strong contingent. In his view, the numbers of those taking part in the operation should be determined at the Moscow meeting of the Contact Group, which is tentatively scheduled for 13 October.

The issue of the command of this operation should also be settled there, too. The Russian side considers it wrong for military decisions to be taken by the North Atlantic bloc alone.

[Kozyrev] A more elegant option, one which suits everyone, needs to be found, to enable Russia to play a substantial role, on equal terms.

[Correspondent] As for the disagreements on partnership with NATO, the minister does not think the solution will be found before the meeting between the Russian and U.S. Presidents in New York at the end of October.

[Kozyrev] If partnership is understood to mean on unequal terms, with one side leading the other, then the summit could be stormy, shall we say.

[Correspondent] Answering a question from our television company on possible consultations between Kozyrev and Boris Yeltsin, who is currently in Sochi, the foreign minister declared:

[Kozyrev] We report back to the president daily, that is absolutely right. We get instructions from him, so that we are effectively in constant contact, he is aware of what is going on and directs our work every day. But as for whether there will be a special meeting, I cannot say. I should like there to be, of course.

Kozyrev: Moscow To Concentrate on Syrian-Israeli Track

LD3009203295 Moscow ITAR-TASS in English 2021 GMT 30 Sep 95

[FBIS Transcribed Text] MOSCOW, September 30 (Itar-Tass) — Russian diplomacy will concentrate its efforts in the very near future on reaching progress on the Syrian-Israeli track, Russian Foreign Minister Andrey Kozyrev said.

In an interview with Itar-Tass on Saturday, Kozyrev stressed the need for "constant and day-to-day support" for the positive development of the PLO-Israel dialogue.

He said the Middle East should be turned into a zone of peace and stability because this region can and should eventually become a sphere of fulfillment of not only political, but also economic interests, primarily in the development of tourism, religious pilgrimage and business activity.

"A political and diplomatic settlement of the Middle East problem and business development are closely interconnected, because stability is critical to the intensity of the investment flow," Kozyrev said.

He urged Russian businesses "not to lose the opportunity" at a time when Moscow continues to play an important political role in the Middle East.

Foreign Ministry Opposed to NATO Enlargement

MK2909131795 Moscow SEGODNYA in Russian 29 Sep 95 p 1

[Report by Leonid Velekhov under the general heading: "NATO-East. A Sensation That Did Not Occur"]

[FBIS Translated Text] Grigoriy Karasin, official spokesman for the Russian Federation Foreign Ministry, reaffirmed in a telephone conversation with your SEGODNYA correspondent the principled line of his ministry aimed at opposing attempts to enlarge the North Atlantic Alliance, to say nothing of the possibility of deploying NATO's nuclear arsenal in Eastern and Central European countries. At the same time, notwithstanding a Public Russian Television [ORT] report about the Foreign Ministry's negative reaction to a phrase allegedly spoken by Mr. Shalikashvili, Mr. Karasin said that from now on the Foreign Ministry will not react to every statement by Western politicians or military leaders, let alone rumors about such statements. We, Mr. Karasin added, will "henceforth behave elephant-like, in the good sense of this word [reference to Krylov's fable 'The Elephant and the Pug']. Our principled approach to NATO's enlargement has been announced, and it is no use devaluing it by frequent responses to one statement by one's opponents or another. Now let us leave the president the right to give an appropriate name to continuing discussions about the alliance's possible enlargement." To all appearances, the Russian attitude to NATO's expansion will be formulated in Boris Yeltsin's statement at the United Nations General Assembly session in October.

Defense Ministry: NATO Expansion 'Direct Challenge'

LD2909153095 Moscow INTERFAX in English 1504 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (Interfax) — The Russian Defense Ministry has described the NATO expansion plan contained in a survey published in Brussels on Friday as a direct challenge to Russia.

A senior defense ministry official has said that the intention to admit new members in the alliance confirms that in making decisions NATO leaders utterly ignore Russian proposals.

The Defense Ministry official does not rule out a new spiral of tension in relations between Russia and NATO. "The alliance's expansion eastwards is unlikely to promote stability in Europe," the official said.

He warned that if NATO came close to Russian borders, Moscow would take reciprocal steps. He made it quite clear that some of Russia's neighbors — former Soviet republics — could help Moscow in this.

"Russian political and military leaders have repeatedly opposed the idea of admission of East and Central European countries in NATO and this position remains unchanged," the source said.

Afanasyevskiy Urges 'Adequate Response' to NATO Expansion

LD2909224795 Moscow INTERFAX in English 2150 GMT 29 Sep 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 29 (Interfax) — If the NATO military structure comes close to Russia's borders, Moscow will have to take adequate response measures, Russian Deputy Foreign Minister Nikolay Afanasyevskiy told Interfax Friday.

He said that current debates in NATO about the military aspects of security do not meet Europe's real requirements.

"It is a new system of European security based on cooperation, partnership and mutual trust that should be the issue of the day," Afanasyevskiy said.

In particular, he said that the survey on the NATO enlargement presented in Brussels Thursday will not change Russia's position on that issue.

"We remain firmly opposed to the enlargement of the North Atlantic Alliance through the admission of Central and East European countries," Afanasyevskiy said.

He believes that the newly-published document about NATO's enlargement "may aggravate the discussion on the subject, which has already had a negative effect on the political climate in Europe."

Afanasyevskiy said Moscow was scrutinizing the document. However, it is too early to provide any definite conclusions, he added.

"Russia proceeds from the assumption that the very speculations on the admission of new members to NATO polarize the public opinion and bring about elements of irritation and distrust in the relations between Russia and the alliance," he added.

The NATO enlargement will have the most negative consequences for European security and will result in new division lines on the continent, Afanasyevskiy said.

SVR Spokesman Views 'Threat' From NATO Expansion

LD2909153395 Moscow INTERFAX in English 1505 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (Interfax) — Russia's foreign intelligence service, SVR, sees any NATO enlargement to the east as a threat to the country's national interests, an SVR spokeswoman said on Friday.

Tatyana Samolis told Interfax that the SVR has analyzed the latest paper on NATO enlargement unveiled in Brussels on Thursday.

She said that as part of the country's intelligence services, the SVR would continue to keep an eye on processes related to plans for NATO expansion.

Deputy Urges Countering NATO's 'Open Challenge'

LD2909191695 Moscow ITAR-TASS in English 1902 GMT 29 Sep 95

[By Oleg Artyushin]

[FBIS Transcribed Text] BRYANSK, western Russia, September 29 (Itar-Tass) — A Russian senator on

Friday called plans for NATO's eastward expansion an "open challenge" to Russia and called for an adequate response.

Petr Shirshov, chairman of the Federation Council Defence and Security Committee, saved still stronger remarks for U.S. general John Shalikashvili's statement that NATO-bound Slovakia should be ready to accept nuclear weapons on its territory, branding it as a "shameless impudence" needing an "adequate response."

The senator told Tass that, NATO "ignores Russia's interests", whereas a possibility of troops or nuclear weapons deployment on the territory of the Baltic states and former Warsaw Treaty members, "can be assessed as nothing but an open military threat to Russia".

Shirshov insisted that Russia's any form of participation in NATO's Partnership for Peace deal must be canceled. Instead, Moscow should take immediate practical steps to set up a new system of collective security as NATO's counterbalance.

The core of such defence alliance could be Russia and Belarus, joined later on by Ukraine and Kazakhstan. Peoples of these countries "have started to realise the entire menace of NATO's boundless reign in Europe," he said.

'Expert' Warns of 'Doomsday' From NATO Expansion

LD0210121895 Moscow ITAR-TASS in English 1158 GMT 2 Oct 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW October 2 (Itar-Tass) — A Russian military expert warned that the NATO expansion to the East can result in a doomsday as the Kremlin may occupy the Baltic states if the latter are included into NATO and the stand-off with the alliance may trigger the third world war.

"As a military expert I believe the following variant to be quite possible: in case the Baltic republics are included into NATO, the Russian armed forces will be sent to the territory of Estonia, Lithuania and Latvia. Any attempts of the alliance to oppose it by force can trigger a world nuclear catastrophe", Anton Surikov, a military expert of the Russian institute of defence research, told Tass Monday.

He recalled the warning of Defence minister Pavel Grachev who said that Russia may start backfiring NATO expansion in case the Baltic republics are included into the alliance.

"This is a serious warning to those who do not want to take into consideration the national interests of our state", Surikov said.

He also warned that Russia may deploy tactical nuclear weapons on its border with Poland and in the southern regions to counterbalance NATO expansion to Poland, the Czech republic and Hungary.

"Such a point of view has already been voiced by representatives of the General Headquarters in mass media", Surikov recalled adding that "it is hard to disagree with the point of view taking into consideration the situation in the Balkans and the decision of the NATO headquarters in Brussels about including the Vysegrad group of East European countries and then of the Baltics into the alliance".

'Diplomat:' NATO Plan Not Attempt To Seal Off Russia

LD2909224395 Moscow INTERFAX in English 2150 GMT 29 Sep 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 29 (Interfax) — Moscow does not think NATO plans either to seal it off with a buffer of East European states, or bar it with a nuclear umbrella under the pretext of enlargement to the East, a high-ranking Russian diplomat told Interfax Friday.

The source said the "Survey on the NATO Enlargement," presented in Brussels yesterday, too vaguely and ambiguously formulated the issue of deployment of conventional and nuclear arms in Eastern Europe.

"It is very important for us to know how the NATO officials themselves will interpret the issue," he underlined.

Moscow plans to hold a series of consultations with NATO member-states, he added.

The diplomat said the NATO nuclear forces included air bombs and planes as a means of delivery.

The NATO survey supposed that the would-be alliance members should be ready to place nuclear arms on their territory.

"However, NATO believes that there is and there will be no need for this in the future," he added.

In addition, the alliance does not plan to strengthen its nuclear forces and only admits their upgrade.

The diplomat said "NATO understands that no European security scheme is possible without Russia and considers constructive relations with Russia as a priority goal."

"At the same time, NATO cannot leave unanswered the East European capitals' appeals for admission," he said.

The diplomat underlined that "the intention of the main contenders for NATO membership — Hungary, Poland and the Czech republic — exceeds by many times the alliance members' desire to see them among themselves."

"In fact, NATO officials are trying to sit on two chairs at once as they perfectly understand how much damage will be brought about to relations with Russia by practical steps towards the alliance enlargement," he added.

The diplomat stated the admission of new members to NATO will be long and complicated.

"The alliance's special teams will leave for NATO-longing capitals after the survey presentation. Reports will be compiled on the basis of their meetings. The next NATO Council session in December will sum up and decide where and how to go further," he added.

At the same time, he said the document was "very untimely."

"Russia will use other optics looking at this document after the recent NATO air operation in Bosnia," he noted.

"Moscow supports setting up a mechanism for regular consultations with NATO as an effective means of easing tensions and surmounting crises in bilateral relations," he added.

The NATO air strikes in Bosnia questioned the possibility to build constructive relations that the alliance is seeking, he stated.

"We hope that realistic approaches will prevail in NATO. Otherwise, we will not have to work on filling bilateral cooperation with specific contents," the diplomat concluded.

Implications of NATO's Latest Demarche Weighed

MM2909185095 Moscow KOMSOMOLSKAYA PRAVDA in Russian 30 Sep 95 p 1

[Article by Oleg Shevtsov: "Who Needs a Partnership for NATO? While Moving Further and Further East, This Military Bloc Is For Some Reason Not Getting Any Closer to Us"]

[FBIS Translated Text] Reading the reports of general secretaries is a boring business. Nevertheless, the report by NATO Secretary General Willy Claes last Thursday contained several interesting passages which provoked lively debate among Europeans, especially those from the former socialist countries. The issue concerned the prospects for the eastward expansion of the world's only effectively functioning military alliance. In other words, its expansion closer to Russia. To Russia "with love," of course and for the sake of peace. As U.S. Defense Secretary William Perry recently stated: "Russia does not agree with our steps toward gradual expansion and even considers them dangerous for itself. I am doing everything in my power to convince the Russian leaders that NATO does not threaten their country. By actively participating in the 'Partnership for Peace' program Russia can become an integral part of the common European security system."

Until now it has not been too hard to convince our leaders of the alliance's friendly intentions. After all, the West's military men seem quite pleasant when they are not fighting — tough, suntanned men with graying temples and various epaulettes. But when NATO, without disturbing the "partners for peace," reached a unilateral deal with the United Nations (in secret from two of the permanent members, Russia and China), and began lashing out at the unpleasant Bosnian Serbs, some of the Slavs began thinking. What if Brussels, or to be more precise Washington, takes a dislike to someone else? No one is going to ask Moscow, Minsk, or even Kiev for permission to act....

In the past five years NATO has managed to radically shift the geostrategic balance in its favor. With the conclusion of treaties with the East Europeans within the framework of "Partnership for Peace," NATO's de facto zone of responsibility has moved toward the borders of the former USSR and by all accounts is going to move even closer. That point was made quite unambiguously in Secretary General Willy Claes' report: The immediate task in relations with the Czech Republic, Poland, Slovakia, and Croatia, followed by the Baltic countries, is not even their acceptance as full-fledged members but the elaboration of the technology and infrastructure for the deployment of the bloc's forces and armaments, both conventional and nuclear, on their territory in the event of a conflict.

But there is absolutely no need to deploy nuclear warheads in the East right now, as John Shalikashvili, the U.S. commander in chief [glavkom], carelessly blurted out in Bratislava. That would only offer a nuclear temptation to terrorists and excite the power-hungry national-patriots. The foreign guarantors of "Western-style democracy" are clearly reserving for themselves the right to intervene in and influence internal processes in Eastern Europe. In other words, a repeat of the Prague Spring of 1968 is theoretically possible, this time under the NATO banner.

The main point to be read between the lines of the report is how to move the "line of forward defense" nearer to Russia's borders without annoying Moscow and jeopardizing the West's strategic friendship with Yeltsin even if this means buying up Poland's potatoes, the Czech Republic's beer, and paying all Ukraine's debts.

Our Foreign Ministry's rhetoric from the UN jubilee rostrum in New York about a "bloc-free Europe, the renunciation of dual standards," and the creation at long last of an all-European security system is music to the ears of the bloc's strategists. After all, it emerges from William Perry's comments that such a system — the only and unique system — already exists: "Partnership for NATO"! So does that mean that he who is not with us is against us?

NATO Survey Will Not Change Russia's Negative Position

LD2909130695 Moscow INTERFAX in English 1058 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (Interfax) — If NATO's military structure comes close to Russian borders, Moscow will have to take adequate measures, Russian Deputy Foreign Minister Nikolay Afanasyevskiy has stated.

He said that current debates in NATO about the military aspects of security do not meet Europe's real requirements.

"It is a new system of European security based on cooperation, partnership and mutual trust that should be the issue of the day," Afanasyevskiy said.

In particular he said that the survey on NATO's enlargement made public in Brussels on Thursday would not change Russia's position on that problem.

"We remain firmly opposed to the enlargement of the North Atlantic Alliance through the admission of Central and East European countries," Afanasyevskiy said.

He believes that the newly-published document about NATO's enlargement "may aggravate the discussion on the subject, which has already had a negative effect on the political climate in Europe."

Public TV Said To Misquote Shalikashvili on NATO

MK2909121495 Moscow SEGODNYA in Russian 29 Sep 95 p 1

[Report by Vladimir Todres from Prague: "NATO-East: A Sensation That Did Not Happen"]

[FBIS Translated Text] The North Atlantic Alliance has once again confirmed its position: In the event of it expansion eastwards, nuclear weapons will not be deployed on the territory of new NATO-member countries automatically, but in the event of military operations these states are supposed to be ready to accept them immediately.

The fuss raised by Russian television over NATO's intentions to immediately stuff the territory of the former socialist countries with nuclear missiles has no leg to stand on, it seems. ORT [Public Russian Television] made references to a phrase that Slovakia will be admitted to NATO if it immediately deploys the nuclear warheads of alliance-member countries, which was allegedly let slip in Bratislava by Chairman of the U.S. Joint Chiefs of Staff John Shalikashvili. This news, however, is not confirmed by either the world's major news agencies or SEGODNYA's own sources in the region: Not in a single capital on Shalikashvili's itinerary — that is to say, neither in Prague, nor in Bratislava, nor in Budapest, nor in Warsaw by Thursday [28 September] morning — could we find any traces of this statement, which would have undoubtedly caused a sensation had it really been made. As far as we know, the general limited himself in all the capitals to praising the former Soviet satellites, which in his view are making tremendous headway in cooperation with the West under the "Partnership for Peace." Mr. Shalikashvili repeated more than once that he was "not authorized to speak about which country will become the first full member of the bloc and when."

NATO's official "nuclear" plans in regard to Eastern and Central Europe were put before the public in Brussels Thursday, where alliance Secretary General Willy Claes presented a report on the topic, "Where To and How To Expand NATO." The report indicates that nuclear arms in peacetime would "not necessarily" be deployed on the territory of new members, whereas in the event of war they would appear there immediately. Hence, countries that are candidates to become members should urgently develop the corresponding technology and infrastructure. The men in Brussels cite Norway in this regard, a longtime NATO member whose relations toward nuclear arms are based precisely on this scheme.

This of course leaves at least one "but." First, the "not necessarily" formula appears to be extremely ambiguous and the real intentions of NATO strategists are vague up to now. The second "but" works the other way: the creation of the necessary infrastructure in the former socialist countries requires money. Where to get it is unclear: for the time being these states, despite their desire, cannot scrape up funds even to buy American warplanes. It is a big question whether the current members of the bloc would agree to pay for "nuclear prospects."

The third "but" is the position of the candidates to become NATO members themselves. Whereas the Czech Republic's defense ministry for the moment is refraining from official comment, [(Defense] Minister Vilem Holan said only that "a situation may take shape where such a deployment would become necessary for the Czech Republic), Polish Defense Minister Zbigniew Okonski (regarded as "Walesa's man in the army") has already spoken to the effect that Poland will not have anything against the deployment of NATO nuclear arms on its soil in any case. It is clear though that whatever former Warsaw Pact countries may feel, it is not they who will have the last word on the future of NATO's nuclear arsenal.

Moscow Declines To Take Part in NATO Exercises

LD0210101595 Moscow ITAR-TASS in English 0934 GMT 2 Oct 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, October 2 (Itar-Tass) — The situation in the Balkans and the NATO push eastwards have been cited as obstacles to Russia's sending of its officers to the military exercises conducted by the North-Atlantic Alliance in the Czech Republic.

A high-ranking official of the Russian Defence Ministry told Itar-Tass that the decision agreed with other state departments "is quite adequate to the situation in Europe which affects Russia's national interests and security."

The official pointed to the fact that the NATO exercises in the town of Vyskov involve not only officers from NATO member-countries, including the United States, Germany, France, Belgium and the Netherlands, but also representatives of the member-countries of the Partnership for Peace programme such as the Czech Republic, Slovakia, Lithuania, Estonia, Poland, Hungary and other countries, which are respective NATO members through which the North Atlantic Alliance plans to expand its eastern borders.

According to the Russian official, Russia was invited to take part in the exercises as announced by NATO landforce commander, Central Europe, General Marinus Vilmink. But it had been planned earlier that only 10 countries would take part in the exercises, but later "due to considerable interest, the number of participants was increased to 14."

The Russian official stressed that the countries added were those to whose membership in the North-Atlantic Alliance Russia objected. The decision to invite them to take part in the exercises was made without preliminary notification of Russia, although preparations for the exercises had lasted 8 months and NATO headquarters in Brussels had every opportunity to have the list screened by Russia.

Tudjman Views on Russian 'Importance' in Balkans

LD3009122095 Moscow Mayak Radio Network in Russian 0738 GMT 30 Sep 95

[Report on interview with Croatian President Franjo Tudjman by Mayak correspondent Konstantin Kachalin in Zagreb; date not given; — passages within quotation marks recorded in Serbo-Croatian with simultaneous Russian translation]

[FBIS Translated Text] [Kachalin] Today, Croatian President Franjo Tudjman, a former partisan and participant in the antifascist movement — is one of the key figures in a settlement of the conflict in former Yugoslavia. Zagreb takes into account what Moscow says and respects its view. Croatia's leadership has recognized Moscow's role more than once. Asked whether he regards Moscow as an ally in resolving the region's pressing problems, Tudjman said:

[Tudjman] "Russia is of immense importance and influence in this region. Without Moscow having its say and expressing its view it is difficult to achieve peace in our region. The recent meeting held in New York was the first step, though a very small one, toward achieving peace. I think that the main international mediators — the United States, Russia, and the EU — should act in a coordinated fashion, have more points of contact, and force peace on those who want to continue the war. The continuation of the bloodshed would mean not only prolonging the sufferings of the peoples involved in the conflict, but would also lead to disastrous consequences. That is why I believe that the main players in the peace process among whom I am included, apart from the United States, Russia, and the European Community, must be more decisive in making demands on those who oppose the achievement of peace in the region.

"Apart from Bosnia-Herzegovina, another important issue in the former Yugoslavia is the problem of Eastern Slavonia which at present does not come under Zagreb even though it is part of Croatia. Krajina Serbs are in control there. Peace in the region can be achieved if (?jointly with) the Bosnian problem the fate of Eastern Slavonia is also decided."

[Kachalin] Eastern Slavonia must — as soon as possible — be reintegrated peacefully into Croatia's constitutional and state system, Tudjman says:

[Tudjman] "I note with satisfaction that the United Nations, the EU, and Russia have recognized Eastern Slavonia as an integral part of our state. Now it is temporarily under occupation. We believe that this problem must be tackled peacefully. Serbia and Yugoslavia must withdraw all military equipment and soldiers from this region. The local illegal armed formations must put their weapons under the control of the UN peacekeepers. We want to recover Eastern Slavonia peacefully and if our opponents, the government in Belgrade and the Serbs do not agree to peaceful conditions we will be forced to act as we acted in Krajina."

[Kachalin] But despite all these apparently good intentions on the Croatian president's part, it was decided to expel 100,000 refugees to Bosnia and hamper the Serbs' return to Serb Krajina. It was this move by Croatia that the UN Security Council is concerned about and it intends to consider the matter next week.

Political Issues

Yeltsin To Arrive From Sochi 2 Oct

LD0210144695 Moscow ITAR-TASS in English 1407 GMT 2 Oct 95

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, October 2 (ITAR-TASS) — Russian Prime Minister Viktor Chernomyrdin will be present on Monday [2 October] among those welcoming Russian President Boris Yeltsin at Vnukovo-2 airport where he arrives after vacationing in Sochi, a well-informed source in the Kremlin told ITAR-TASS.

In a telephone conversation with that source, Chernomyrdin said that a working meeting of the President and Prime Minister will be held on Tuesday. A broad range of problems will be discussed. The Prime Minister will, specifically, tell the President about the results of his visit to South Korea and about the course of the election campaign.

There is a possibility that Yeltsin and Chernomyrdin will exchange opinions on the most important problems during their meeting in the airport on Monday.

Sources in the Kremlin do not disprove the information earlier referred to ITAR-TASS that upon returning from Sochi the President will continue resting for several days. Quite possibly the President will spend those days in his out-of-town residence in Zavidovo.

Belyayev Reports Status of Cabinet Reorganization Plans

LD2909200895 Moscow INTERFAX in English 1719 GMT 29 Sep 95

[FBIS Transcribed Text] Moscow, Sept 29 (INTERFAX) — The Russian government is working on a package of measures to reorganize the Cabinet, State Property Committee Chairman Sergey Belyayev has said.

As he spoke at a briefing in Moscow, Belyayev, who is also chief of staff for Prime Minister Viktor Chernomyrdin's election bloc Our Home is Russia, explained that the reorganization of the Cabinet would be carried out in keeping with President Yeltsin's instruction to slash the staff of the Cabinet by a quarter.

Belyayev said that measures to reorganize the government would be discussed at the forthcoming meeting of Prime Minister Chernomyrdin and President Yeltsin and would begin to be implemented already next month. Belyayev said that federal bodies having identical functions would be merged.

A ministry of industry and trade would be formed to incorporate numerous industrial committees managing property still controlled by the state.

"If we fail to reorganize the government now, it would be far more difficult to do this at the peak of the election campaign," Belyayev said.

He believes that a future reformed government should strive to be "not a Cabinet of tough managers but a team of professional politicians responsible for their actions before the political majority of our society."

Belyayev believes that accusations of corruption the press addresses to the government are nothing but a pre-election political intrigue and that charges can be considered seriously only if they are backed up by irrefutable evidence accepted in court.

Belyayev described as a well-planned political action the initiative by a number of members of the lower house to vote for a motion of no confidence in the government. He added that Our Home is Russia was against any radical measures.

At the same time he said that OHIR as a socio-political movement was critical of the government for a number of failures, for instance, delays in the payment of wages, pensions and grants and the lack of a reliable mechanism to transfer budget money to territories and industries, in the first place, the coal industry.

Communists Mark Anniversary of Oct 1993 Events in Moscow

LD0110163595 Moscow INTERFAX in English 1358 GMT 1 Oct 95

[FBIS Transcribed Text] MOSCOW, Oct 1 (INTERFAX) — Members of the Communist Party of the Russian Federation (led by Gennadiy Zyuganov) and of Russia's Communist Workers' Party (led by Viktor Anpilov) gathered near the metro station Krasnopresnenskaya Sunday [1 October] to mark the second anniversary of the tragic events in Moscow in October 1993.

According to the Moscow police, the picket involved at least 300,000 instead of the planned 50 demonstrators.

Our correspondent reports that besides communists the picket involved the Black Hundred and Russian National Unity nationalist organizations.

The picketers held posters accusing President Yeltsin of "organizing the coup in October 1993."

Zyuganov Warns of Possible Provocations

LD0110164095 Moscow INTERFAX in English 1358 GMT 1 Oct 95

[FBIS Transcribed Text] MOSCOW, Oct 1 (INTERFAX) — The Communist Party of Russia has "information from well-informed sources" that "disorder may be provoked in Moscow and some other towns" on the second anniversary of the tragic events on October 3-4 of 1993, leader of the Communist Party of Russia Gennadiy Zyuganov told a press conference in Moscow today.

He said such provocations might be launched in order to derail democratic process and probably even wreck coming parliamentary elections.

When asked whether elections might be cancelled, Zyuganov said: "Everything is possible in our country nowadays."

Zyuganov said he was confident that Russian President Boris Yeltsin "will sign a decree on extending the powers of the Federation Council's members." Zyuganov said Yeltsin "creates conditions for his possible further staying in power."

MVD Reacts to Arms Law Enforcement Criticism

*LD2909202495 Moscow INTERFAX in English
1725 GMT 29 Sep 95*

[FBIS Transcribed Text] Moscow, Sept 29 (INTERFAX) — The Russian Interior Ministry [MVD] considered a presentation on poor enforcement of the federal law on arms submitted by the Prosecutor General's Office, INTERFAX learned Friday.

The ministry admitted the presentation was well-founded and informed the Prosecutor General's Office of measures to improve the situation. All facts mentioned were investigated and those involved correspondingly punished, it added.

In particular, many interior officers had to bear disciplinary punishment for poor enforcement of the federal law on arms, while the most inert of them were dismissed. A number of criminal cases were under investigation.

The ministry cancelled about 600 detective and guard licenses from private agencies and made 750 official warnings to this effect for violations of the rules on possession, registration and use of arms and special equipment.

The ministry also took certain organizational and practical measures to better enforce the law, the Prosecutor General's Office said.

Meeting Calls for Reorganization of Legal System

*LD3009161195 Moscow INTERFAX in English
1407 GMT 30 Sep 95*

[FBIS Transcribed Text] MOSCOW, Sept 30 (INTERFAX) — Crime must be combatted regardless of the political conjuncture, Head of the Reform Fund, former USSR interior minister Vadim Bakatin said on September 29 at a round-table meeting on problems regarding the fight against organized crime.

Bakatin said factors contributing to the spreading of organized crime should be eliminated, "starting from the existing privatization mechanisms and ending with the doubtful rules of foreign economic games."

Russian First Deputy Interior Minister Vladimir Kolesnikov said at the meeting that the number of solved crimes and the level of punishment execution were unsatisfactory. He said about 35,000 murderers had been arrested in 1994, 154 of them sentenced to death and only three executed.

Kolesnikov said "the spread in possible punishment measures" when sentence for some crimes allowed judges to choose between "from" and "to" provoked the blackmailing of courts. "It's high time for us to adopt the Western investigation procedure and reorganize the legal system," he said.

Deputy Prosecutor General Oleg Gaydanov said the laws on combatting crime proposed by the State Duma were "useless" because neither the Interior Ministry nor courts could apply such laws: "there are no financial funds."

The program for combatting organized crime, which was adopted in 1994, will not be implemented for the same reason: the money shortage, those at the round-table meeting said.

Hetman Holds Conference To Discuss Cossack Revival

MM2909143795 Moscow ROSSIYSKAYA GAZETA Weekend Edition in Russian 29 Sep 95 p 3

[Report by Aleksandr Aleshkin: "Hetman Would Like Cossacks To Be Respected"]

[FBIS Translated Text] Aleksandr Martynov, hetman of the Cossack Union, is included on the "Russia Is Our Home" [NDR] movement's electoral list. At the same time, hetmans of lower rank are to be found on the lists of other electoral associations. Does this point to a split in the Cossack movement, or does it reveal the hand of politicians?

In A. Martynov's opinion, the coming elections have notably increased the interest in the Cossack movement. According to certain estimates, there are currently 10-12 million Cossacks in Russia. Consequently, many electoral blocs are trying to win their support. And there is nothing reprehensible about that. The presence of hetmans on different lists, the hetman noted, points merely to the democratic election procedure.

As for Aleksandr Gavrilovich himself, he accepted the NDR's proposal for one reason — he is basically satisfied about the movement's election platform, although he is critical of some of its provisions.

The hetman's press conference was announced primarily not as an election event, but as a discussion with the press on the problems of reviving the Cossacks in Russia. At the end of the 20th century there can be no question of reviving the Cossacks' former status. Social conditions have changed and there have also been irreversible changes to the way of life of this section of society. Nonetheless, the Cossacks can and should still serve the fatherland as an organized military force.

Cossack units are already being formed in the Armed Forces. But these will be subordinate not to their hetmans but to their Army commanders. Cossack societies will merely support their mobilization readiness.

In former times the Cossacks were defined by two basic concepts of kinship — community ownership of the land which the state freely granted the Cossacks for their use indefinitely and military self-organization, which allowed them if necessary to take up arms to defend themselves. Does revival mean a return of these privileges?

A division of the land, Martynov believes, would lead the people to a new bloody tragedy. And Cossack families, which were once large, have now "slimmed down" to just one or two children. They would not be able to work the land even if they were given it. Although he noted with satisfaction the provision in the NDR program envisaging the mixed nature of ownership, including land ownership. And a return to community plots is probably possible in some, albeit curtailed, form.

As for military self-organization, it too is impossible in its previous form. Moreover, the hetman believes that the Cossacks need weapons during the current time of troubles, but "under strict state control." Had the Budennovsk Cossacks had weapons, he said, the tragedy would not have assumed the scale it did.

Martynov was skeptical about the drafts of a law on the Cossacks, whose hasty adoption by the current State Duma is being insisted upon by certain politicians. He viewed this as the same old desire to exploit the Cossacks for political ends.

Government Discusses Economic Development of Kurils

MM0210105195 Moscow ROSSIYSKAYA GAZETA in Russian 30 Sep 95 p 1

[Report by Vladimir Kucherenko: "Whoever Hasn't Been to the Kurils Is Missing a Lot"]

[FBIS Translated Text] Quite recently some people were seriously suggesting that the islands be given to Japan. Thank God, normal state logic prevailed. The hardest part of the job now remains — to make the Kurils economically strong and full-fledged Russian territory.

The 28 September government session discussed the progress in fulfilling the federal program for the archipelago's development in 1994-1995 and through the year 2000.

Everything cannot be said to have gone smoothly. It is less than a year since that tragic day when the islands were hit by earthquakes and tsunami. And the amounts of funding provided for in the program were insufficient. In 1994 only 45 percent of the program's funds were allocated — without hitting the 8.7-billion ruble target. According to information as of 28 August 1995, only 21.6 percent of the planned funds had been issued. And, the Russian Federation Ministry for Nationalities Affairs and Regional Policy noted, the funds are being spent unsystematically. In addition, there is the instability of the island's authorities — over the past three years there have been three changes of governor in Sakhalin Oblast, to which the 52 Kuril islands belong.

But some things have been accomplished nonetheless. The long-awaited Mendeleyevo Airport is being completed and the geothermal power station on Kunashir and the condenser on Iturup have been completed. Another 14 installations will come on stream by the year's end, including the long-awaited TV reception station for Shikotan and Kunashir.

Military & Space Issues

Yeltsin Edict Drafts 224,400 Men in Oct-Dec

MM0210104995 Moscow ROSSIYSKAYA GAZETA in Russian 30 Sep 95 p 1

[Russian Federation Presidential Edict No. 971, signed by President Yeltsin in the Kremlin, Moscow, on 27 September: "On the Drafting of Russian Federation Citizens for Military Service in October-December 1995 and On the Discharge of Soldiers, Sailors, Noncommissioned Officers, Petty Officers, and Military Construction Workers Who Have Completed Their Established Period of Military Service"]

[FBIS Translated Text] Extract:

In accordance with the Russian Federation laws "On Defense" and "On the Military Draft and Military Service," I decree that:

1. Russian Federation citizens born between 1968 and 1977 and without the right to a deferment — 224,400 men in total — be drafted for military service with the Russian Federation Armed Forces and other Russian Federation troops and military formations in October-December 1995.

*For official use:

2. Soldiers, sailors, noncommissioned officers, petty officers, and military construction workers who have completed their established period of military service shall be discharged from military service.

3. Federal executive organs in which military service is envisaged shall take measures to additionally recruit citizens under contract for voluntary military service in the posts of noncommissioned officers, petty officers, soldiers, and sailors.

4. The Russian Federation Government and Russian Federation component executive organs shall ensure fulfillment of the measures relating to the drafting of citizens for military service.

5. The transportation of persons drafted for military service shall be carried out, as a rule, in batches on passenger trains or by specially chartered aircraft (ships).

The Russian Federation Ministry of Railways and the Russian Federation Ministry of Transport shall be allocated the necessary amounts of rolling stock, aircraft (ships), or seats on passenger trains or aircraft (ships) to meet the requests of the relevant command, shall transport the aforesaid persons at the time laid down, ensuring safety measures, and shall charge for the journeys under the existing mutually agreed tariffs.

6. This edict comes into force from the date of its publication.

[Signed] Russian Federation President B. Yeltsin

[Dated] Moscow, the Kremlin, 27 September 1995
No. 971

Grachev Issues 'Order of the Day'

MM0210120295 Moscow KRASNAYA ZVEZDA in Russian 30 Sep 95 p 1

[Russian Federation Defense Minister Order of the Day No. 311, signed by General P. Grachev in Moscow on 29 September: "On the draft of Russian Federation citizens to Military Service in October-December 1995 and the release from military service of soldiers, sailors, sergeants, petty officers, and military construction workers who have completed the stipulated period of military service"]

[FBIS Translated Text] In execution of the Russian Federation president's 27 September 1995 edict No. 971 I decree:

1. That soldiers, sailors, sergeants, petty officers, and military construction workers who have completed the stipulated period of military service be released from military service.

2. That the commanders of military districts and military commissars ensure together with local administration heads the organization and execution of the draft in October-December 1995 to military service in the Russian Federation Armed Forces and other troops and military formations of Russian Federation citizens born in 1968-1977 who do not have the right to exemption or deferment from the draft to military service.

3. That the order be announced in all companies, batteries, and squadrons and on ships.

[Signed] Army General P. Grachev, Russian Federation defense minister

[Dated] Moscow, 29 September 1995

Former Deputy Minister Appointed Chief Military Expert

LD0210134495 Moscow ITAR-TASS World Service in Russian 1259 GMT 2 Oct 95

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Translated Excerpt] Moscow, 2 Oct (ITAR-TASS) — In accordance with a presidential edict, Colonel-General Georgiy Kondratyev, former deputy defense minister of the Russian Federation, has been appointed to the post of chief military expert at the Russian Ministry for Emergency Situations. ITAR-TASS learned this from sources at the Ministry for Emergency Situations, which has already received the presidential edict. The president's press service did not refute this information, but it did say that the list of officially issued documents does not contain this edict.

According to sources at the Ministry for Emergency Situations, Kondratyev visited the ministry today and met with its leadership. [passage omitted]

After being relieved of his duties as deputy defense minister, Georgiy Kondratyev became involved in public activities and is currently the third electoral candidate from the "Duma-96" public political movement.

Soldiers Attacked Twice at Rostov Chemical Plant

LD2909215395 Moscow NTV in Russian 1900 GMT 29 Sep 95

[Report by correspondent Aleksandr Abramenko from Kamensk-Shakhtinskiy; from the "Segodnya" newscast]

[FBIS Translated Text] Rostov region law enforcement officials are continuing the search for the criminals who carried out an armed attack on a military post last night in the town of Kamensk-Shakhtinskiy. Unknown people with sawn-off hunting rifles attacked servicemen guarding largest chemical works serving the defense industry in the region.

[Begin recording] [Oleg Yurchenko, orderly officer for the military unit] The changing of the guard took place during the night. I was told to phone the factory, that there had been an exchange of fire, that a group had been found, two of our soldiers had been wounded and one civilian killed. Investigative measures have not found out anything yet. One submachine-gun was stolen. [end recording]

Militia employees say there were three attackers, one of whom was killed on the spot in the exchange of fire. He has not been identified. The other two escaped, taking a submachine-gun from one of the wounded soldiers. The soldiers were taken to the local clinical hospital seriously injured with stomach wounds. Both are in a critical condition.

Meanwhile, the law enforcement bodies are working on the attack being a possible act of sabotage. This may be the case since, as a defense enterprise, the Rossiya Kamensk chemical works produces charges for different types of weapons and poisonous chemicals too. Specialists think that any act of terrorism at the works could be a disaster for the town and region.

At approximately 1600 [1300 GMT] another armed attack was made on soldiers of this unit. Another soldier was wounded in an exchange of fire, fortunately not seriously. Criminals were probably trying to seize weapons again.

All outlying districts and places where criminals might hide are at present being combed.

Local Court Case Could Deal 'Serious Blow' to Grachev

MM2909142395 Moscow IZVESTIYA in Russian 29 Sep 95 p 1

[Article by Teymuraz Mamaladze of IZVESTIYA Analysis Center: "Citizen P.S. Grachev as Litmus Paper of Russian Democracy"]

[FBIS Translated Text] Last Wednesday Olga Vladimirovna Govorova, a pretty young Muscovite invested with the powers of people's judge, set a precedent capable of bringing about a revolution in the relationship between the power of law and the power of petty tyranny.

Deformed by centuries of legal inequity in accordance with the squire's wishes, it has now been straightened out at a stroke by the woman who signed a court ruling to bring before it a native of the village of Rvy, Tula Oblast — citizen P.S. Grachev. While it is as yet difficult to say whether the chief of Moscow's 169th police precinct will succeed in escorting the said citizen to court, the justice system has succeeded in an important area. That is in smashing the mind-set that thinks that it is possible for some people in positions of authority to exist outside the law, sometimes actually living in conflict with it according to their own rules and statutes. Moreover, this goal was achieved with the minimum of resources — by resorting to the law, for which citizen P.S. Grachev has so long displayed a stubborn and persistent disregard. But behind this "minimum" there is, for the first time in Russian or at least Soviet history, a great determination to change the status quo in favor of the law and the principle of equality for all before it.

No, whatever you might say about the present authorities and however much you might try to expose their renunciation of their declared ideals, they do nevertheless awaken in us something "good and everlasting." They prod us into undertaking some extraordinary actions which are extremely important for the country's future. It is in this that their — the authorities' — immense historical achievement lies. But, just as citizen P.S. Grachev, as the defense minister, is no small and insignificant element within the authorities, so the country and society are absolutely indifferent to the way he will react to citizen O.V. Govorova's attempt to redress the upset balance between the executive branch and the judiciary.

Strictly speaking, he has little choice in how he might act. First, he might, before the police escort comes for him, turn up at the Presnenskiy court session voluntarily for the hearing of the case which he himself brought over the publication in the paper MOSKOVSKIY KOMSOMOLETS of an article by Vadim Poegli entitled "Pasha-Mercedes" and in which he has regularly avoided participating. By turning up at the court, he will appear to his country and people to be the model of a law-abiding citizen and will win back the respect that was seriously undermined by the actions, speeches, and reputation of this indomitable presidential favorite. Second, he might act fully in the spirit and style of Russian tradition and say: "Let us see how they will manage to force me to appear in court."

But then we will not only have to examine citizen P.S. Grachev. Then the whole system of the present authorities led by B.N. Yeltsin — who is not only also a citizen of this country but its president, whose minister is taking the liberty of flouting the law and, consequently, showing disrespect for the edifice of the state — will inevitably come under the scrutiny of the country and the world.

Then it will be necessary to recall and remind people that this edifice has already been regularly shaken in the past and that disregard of the law was actually responsible for those tremors which were most destructive to it. If to one person the courts are like a hairdresser's, where you call in (or not, if you no longer wish to do so) to freshen up after reading an unpleasant article, then to another they are like a hunting lodge in a remote forest along the border where at night you do not have the slightest thought about the current Constitution which is being repealed on the quiet. As a result there are wars, at first in neighboring countries, then in your own, where "Pasha-Mercedes" has been regularly forgiven and pardoned — even after he pleaded guilty at the Security Council's June session.

Citizen P.S. Grachev put himself in the firing line in Chechnya but did not come unstuck. But in the insignificant affair now concerning the court he might possibly receive a serious blow. If, as it is claimed, it has been decided to use the attitude of the citizen-minister to the legal system to discredit him once more, like his attitude to his aide-de-camp on the Sochi tennis court, and the judge is acting at someone's behest. According to Moscow's vicious gossip, which is more lethal than a gun, the instigators are the "Moscow group" which leans toward Chernomyrdin. But in any case, citizen O.V. Govorova has picked the best time to restore the law's rights to it: the eve of the anniversary of the events of October 1993 when both sides fired on the law with impunity.

Land Forces Begin 'Large-scale' Military Exercises

LD0210102995 Moscow ITAR-TASS in English 0957 GMT 2 Oct 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, October 2 (ITAR-TASS) — Russia's land forces have begun large-scale military exercises in Western and Central European Russia. Colonel-General Vladimir Semenov, commander-in-chief of Russia's land forces is in charge of the exercises.

The press centre of the land forces told ITAR-TASS that the exercises which began today will last to October 6 and would be conducted in two stages.

According to the press centre, stage one will see "the troops brought to readiness ahead of carrying out the assignments," phase two is designed to "upgrade the management of formations and units in various kinds of combat activity."

The commander-in-chief will visit the Smolensk, Voronezh, Nizhny Novgorod, Kursk and other military garrisons in the course of the exercises to inspect the quality of training, logistics, and technical supplies.

Asked whether the Russian exercises were associated with the NATO exercises which began in the Czech republic today, sources in the press centre of the land forces told ITAR-TASS that the Russian exercises "were planned in advance and are timed to coincide with the end of the summer period in combat training."

Along with this, a number of Russian military analysts told ITAR-TASS that they did not rule out that the Russian Defence Ministry was perfecting versions of defence actions likely to be needed if the North-Atlantic Alliance moved its forward bases towards the Russian borders.

Article Urges Exemption From Taxes for Armed Forces

MM2909154095 Moscow KRASNAYA ZVEZDA in Russian 29 Sep 95 p 1

[Article by Colonel Ivan Ivanyuk: "New Budget, Old Taxes. If the Treasury Is Hard Up, Will We Economize on the Army Again?"]

[FBIS Translated Excerpt] [passage omitted] Everything is bad for the Armed Forces: both the fact that production is not being developed and the fact that taxes are not being paid. Out of what then is military expenditure to be funded? Inflation is not gratifying either. Servicemen, who are completely excluded from economic processes, are more frequently asking themselves a question which would seem to have no bearing on them: If the tax system is so inefficient, why not revise it? [passage omitted]

It is, at least, a gratifying fact that the idea of levying income tax on servicemen has not resurfaced. Although, if we speak of the Army's problems in connection with tax reform, they still exist. Not just in connection with the fact that we cannot yet see any prospect of expanding the revenue part of the federal budget while there is only the approved option of understating expected inflation. Let us start with the fact that the defense industry enterprises which supply the Ministry of Defense with arms and military hardware are not exempt from taxes, and their "jacking up" the value of output contributes to the military budget's artificial inflation. The property tax is more unpleasant for defense industry workers than for anyone else. This is inevitable when an enterprise possesses overly large production capital compared with its turnover. Plants in the military-industrial complex now have a lot of costly equipment standing idle which can be neither used nor sold — it is narrowly specialized and expensive. As a result, the enterprise has to shell out substantial sums year after year in the form of tax. Of course, this cannot help but affect the cost of articles supplied to the Army and Navy.

We have all seen for ourselves recently that there are other means of pumping money via taxes from the military budget even after it has been approved. In particular, KRASNAYA ZVEZDA recently described how the tax inspectorate tried to levy taxes on the Kantemirov Division's subsidiary farm. This was despite the fact that the law "On the Tax on the Profits of Enterprises and Organizations" directly prohibits this if an enterprise producing agricultural produce is funded from the budget.

This is not to mention those instances where the tax inspector has just slightly more weighty grounds for "using power...." Thus, the commander of one of the military units at Golitsyn-2 in Moscow Oblast turned to us recently. He reported that the unit is the main consumer of the Western Branch of Power Engineering Control of the Moscow Regional Administration of Power System Management and supplies power to the whole Chief Center of the Military Space Forces and that on this basis the tax inspector described all the funds coming into the unit's account as income and regarded the unit as an object of taxation as users of highways.

There is no denying that road taxes, particularly local ones, are a mine of information. Of course, military units can pay them — the police, for example, do. But then the police are maintained at the expense of the local budget. The Armed Forces, having transferred funds to there from the federal budget, will receive nothing in exchange. It is, of course, necessary to resolve the problem of local budgets, but why must defense items of expenditure act as a kind of pump to transfer funds?

"Money does not smell," the Emperor Vespasian said on introducing the tax on public toilets. The aphorism proved universal for all times and peoples. For us too: The more meager the Russian treasury, the more people wish by fair means or foul to extricate as much as possible from it. And yet the country's defense is a state matter, and everyone — primarily, in accordance with the Law on Defense, our own government — must have an interest in the optimum, full-blooded nature of the military budget. So is it not simpler to abolish all taxes directly or indirectly connected with defense expenditure, as has been done in practically all countries, and not engage in transferring money from one state pocket to another?

ITAR-TASS Gives Parameters of Kosmos Satellite

LD2909165295 Moscow ITAR-TASS World Service in Russian 1102 GMT 29 Sep 95

[FBIS Translated Text] [no dateline as received] The Cosmos-2320 satellite has been placed in an orbit with the following parameters, close to the designated ones: initial period of revolution — 89.2 minutes; orbital inclination — 64.9 degrees; apogee — 308 km; perigee — 189 km. The apparatus aboard the satellite is working normally.

Federal Assembly

Industrial Bloc Leader Calls For Duma Dissolution

LD2909165895 Moscow ITAR-TASS in English 1333 GMT 29 Sep 95

[By Nadezhda Anisimova]

[FBIS Transcribed Text] MOSCOW, September 29 (ITAR-TASS) — Vladimir Shcherbakov, leader of the "Russia's Trade Unions and Industrialists — Union of Labour" election bloc called for an immediate cessation of the State Duma activity.

Under Communist rule, Shcherbakov was a vice prime minister of the Soviet Union.

At a news conference on Friday, Shcherbakov made very biting remarks about the activity of the lower house and appealed to the "sane-minded" part parliament to raise an issue of self-dissolution or at least a suspension of sessions. "If nobody does it, the president can and must use his constitutional powers and dissolve the Duma," he said.

"But the events of (October) 1993, when the dissolution of the Duma caused bloodshed, must not repeat themselves," he added.

Duma Deputies Discuss 1996 Budget Deficit

MK2909144095 Moscow SEGODNYA in Russian 23 Sep 95 p 2

[Report by Svetlana Lolayeva: "Deputies Propose That Inflationary Methods of Covering the Budget Deficit Be Brought Back. Mikhail Zadornov Does Not Believe That in 1996 all International Credits Can Be Received in Full"]

[FBIS Translated Text] Yesterday's [22 September] meeting of the working group to consider the 1996 budget dealt with the size of the budget deficit and sources to be used to cover it. According to First Deputy Finance Minister Vladimir Petrov, when formulating the 1996 budget, the government proceeded from the assumption that the size of the budget deficit should not exceed 4 percent of gross domestic product [GDP] if a non-inflationary principle for covering it is used. According to the proposed budget, the deficit will amount to 81.8 trillion rubles, which is 3.9 percent of GDP.

Compared with 1995, there will be changes in the structure of external and internal sources of covering the budget deficit. Some 1.5 percent of GDP will be offset from external sources, and 2.4 percent of GDP from internal ones. In total, it is planned to receive $5.9 billion from external sources, including $4 billion as an International Monetary Fund [IMF] credit. The Finance Ministry is counting on raising 50 trillion rubles from internal sources. State short-term bonds will provide 21 trillion [rubles]. The remaining amount will be raised by issuing medium-term state securities, a savings loan [sberegatelnyy zaem] for the population, and a gold certificate. According to Bella Zlatkis, head of the Finance Ministry's Securities Department, it was decided to abolish short-term bonds next year, as requested by the IMF. Short-term bonds will continue to be issued at a decreasing rate by the end of 1995, with all short-term bonds to be redeemed by 1 April 1996.

Working group members expressed doubts as to the feasibility of the size of the deficit — 4 percent of GDP — envisioned in the budget. Aleksandr Piskunov, member of the Defense Committee, suggested that Finance Ministry officials should ask the IMF if a deficit of 4.5-4.6 percent of GDP is appropriate for it. Vladimir Petrov replied that the government will stick to the size of the deficit and inflation rate envisioned in the budget and added that the deficit stipulated in the draft budget had been prescribed not only by the government, but by the president, too.

According to Budget Committee Chairman Mikhail Zadornov, the goal of covering the budget deficit in 1996 through non-inflationary means is hypothetical, since, in 1995, funds for covering the deficit from external sources have not been received in full volume, which necessitated issuing short-term bonds in greater amounts than had been planned. In his opinion, the possibility of having the budget deficit offset — if the funds planned are not received from external sources — by Central Bank credits should be considered. The Budget Committee chairman believes that the goal of covering the deficit using entirely non-inflationary sources should be achieved by a gradual — in the course of two to three years — replacement of Central Bank credits by non-inflationary sources. Mr. Petrov replied that the first tranche of the standby credit — $1.15 billion — had not been received for the sole reason that the 1995 federal budget was passed too late. If this happens again this year, the external sources envisioned in the 1996 budget will indeed be unrealistic. As for internal sources, their volume is quite feasible, and possibly even more funds can be raised from the savings loan.

Despite the assurances by Finance Ministry officials that the size of the deficit and the sources for covering it are feasible, the working group decided to reconsider the deficit issue when a unified budget, calculated on the basis of an average monthly inflation rate of 3 percent, is discussed. The Finance Ministry was also given instructions to assess the rate of inflation for a 4-percent deficit and inflationary measures to be used to cover the portion of the budget not backed by non-inflationary sources. In addition, on Aleksandr Piskunov's request, it was decided to take into account the backlog of the 1995 state defense order in its full volume when considering the deficit and expenditures component of the budget.

Committee 'Displeased' With Budget

LD0210113095 Moscow ITAR-TASS in English 1115 GMT 2 Oct 95

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, October 2 (ITAR-TASS) — "We are prepared to promulgate a law on the federal budget for 1996 during the State Duma's autumn session," said Mikhail Zadornov, chairman of the house Committee on the Budget, Taxes, Banks and Finances.

Zadornov stressed that the Committee will be ready to submit a draft budget for first reading in the lower house of parliament in the middle of October.

The government has proposed next year's federal budget amounting to 414.4 trillion roubles in spending and 332.5 trillion roubles in revenues, with the limit of the budget deficit not to exceed 31.8 trillion roubles.

Zadornov noted however that the budget was "hardly likely to be approved as proposed by the Cabinet of Ministers." A working group is scheduled to hold its final meeting on Tuesday to consider a balanced decision on the budget and specify the draft conclusions drawn up by the Committee. Most of the house committees have already submitted their proposals. On Thursday, parliamentary hearings will be held to consider the concept and the main characteristics of the bill.

Zadornov said the Committee was mainly displeased with the "practical lack of any changes in the structure of the budget," and "the unrealistic forecast for revenues."

Most Committee members believe that the government should "redefine priorities, particularly where spending on social items, science, education and health care are concerned." Zadornov said that the Committee would insist on such changes. The deputies have yet to make clear what kind of spending is involved in the settlement of the Chechen crisis.

The Committee chairman stressed that the State Duma, including its Budget Committee, was determined to continue constructive interaction with the Cabinet of Ministers in tackling disputes which will inevitably arise in the course of the forthcoming fourth reading of the bill on the federal budget for next year.

Regional Affairs

Chechnya Reportage: Negotiations, Military, Politics

'Incident' Occurs at OSCE Mission

LD. [illegible]9220495 Moscow ITAR-TASS in English 2152 GMT 29 Sep 95

[By Ruslan Maysigov and Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY, September 30 (ITAR-TASS) — Plenipotentiary representative of the Russian president in Chechnya, Oleg Lobov, has made a statement today, demanding strict fulfillment of the procedure of the peace talks. The statement was made in connection with an incident outside the OSCE mission in Groznyy last night.

On September 28, Dydayev's supporters staged an unauthorized rally outside the OSCE mission in Grozny. After the rally had come to an end, militiamen arrived and cordoned off the building. However, last night the militiamen were shelled by gunmen who were inside the building of the OSCE mission. Three militiamen were wounded.

In connection with the incident, Lobov told journalists that "similar incidents fraught with negative consequences might be prevented if a reliable legislative basis was created for regulating rallies and manifestations, provided all the sides involved in the negotiating process realize their responsibility in the prevention of the venue of the peace talks from being turned into an arena for political manifestations or provocative acts."

Lobov expressed an opinion that strict fulfillment of rules of procedure at the talks, banning the presence of gunmen and unidentified people in the building of the mission, would help avoid misunderstanding, mutual suspicions and prevent emotions from going out of control.

Lobov believes that the incident was not the result of someone's malicious plans. "However, the evil might manifest itself in another attempt to take advantage of this incident so as to disrupt the work of the OSCE mission and the normal course of the negotiating process. We cannot let it happen, and the federal authorities will take measures to restore law and order," Lobov said.

Lobov Ensures Safety of OSCE Staff

LD3009145695 Moscow Radiostantsiya Ekho Moskvy in Russian 1300 GMT 30 Sep 95

[FBIS Translated Text] Groznyy mayor Beslan Gantamirov has given orders to suspend the work of the OSCE mission in Groznyy. Gantamirov said that the mission's staff are sheltering armed supporters of Dzhokhar Dudayev. He told INTERFAX that he had ordered the municipal militia to take the OSCE mission's building under guard, noting that the militiamen would not leave their places until an investigation had been carried out.

Gantemirov said that the inaction of the federal and the republic power-wielding structures forced him to take such steps.

In turn, Oleg Lobov, the Russian president's plenipotentiary representative in Chechnya, said today that he personally had not made any accusations against the OSCE and assured the OSCE leadership that the federal authorities would take all necessary measures to restore law and order and would ensure the safety of the mission's staff.

According to an INTERFAX report, security at Lobov's office was stepped up today.

Groznyy Mayor Suspends OSCE Activities

LD3009151395 Moscow INTERFAX in English 1407 GMT 30 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 30 (INTERFAX) — Groznyy Mayor Beslan Gantamirov told INTERFAX in an interview today that he had issued an order on suspending the activity of the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy.

Gantamirov said the OSCE mission was legalizing Dudayev's armed groups in Groznyy. He said legalized armed groups were launching sabotage acts and armed assaults.

Gantamirov said an unmarked car had left the OSCE mission and fired at a Zhiguli car with four officers of the municipal police seriously wounding two of them on September 29. Gantamirov demanded that an investigation be launched.

Gantamirov said one person had been killed and 12 people had been wounded near the OSCE mission in September.

Gantamirov said the OSCE mission was currently guarded by federal troops and a battalion of the municipal police. " I will not withdraw my battalion until the investigation is completed and the illegal activity of all armed Dudayev groups protected by the OSCE mission is ended," he said.

"I have repeatedly addressed the mission requesting that it should stop giving a cover for Dudayev militants, organizing unauthorized rallies and permitting armed people with Dudayev flags to move around the city," Gantamirov said. "This goes beyond the scope of my usual activity but I was placed in such a situation that I have to apply such forced measures because both the federal and the republic's power structures, which have the authority to deal with such problems, fail to take actions," Gantamirov said.

Mission Blocked by Federal Troops

LD3009150195 Moscow INTERFAX in English 1407 GMT 30 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 30 (INTERFAX) — The OSCE [Organization for Security and Cooperation in Europe] mission to Groznyy has been blocked by federal troops, the head of the Dudayev loyalists' delegation to the talks Hojahmed Yarikhanov told INTERFAX's correspondent. At present the commander of Russian troops in Chechnya Anatoliy Romanov and the chief of staff of Dudayev's formations Aslan Maskhadov, who took part in the recent meeting of the Special Observers' Commission, are taking steps to resolve the incident.

INTERFAX's correspondent reports that in front of the OSCE mission there are two armored vehicles, whose personnel found it hard to say what task they were accomplishing.

The place where Chechen women hold their daily rallies (100 meters away from the OSCE building) has been cleared from anti-Russian and pro-Dudayev posters; the local riot police keeps it under control.

In the meantime INTERFAX's correspondent reports that experts from the observers' commission, who gathered for a session in the building of the local recruitment office on Saturday, continued to discuss a new schedule for surrendering arms and pulling out Russian troops.

As Dudayev's spokesman Movladi Udugov told journalists, "very important work is in progress, and it is hard to say when it will be concluded."

Udugov conceded that federal troops had been withdrawn from population centers in Nozhai-Yurt District in Chechnya's east. However he said that the troops left their positions for the purpose of being regrouped and subsequently redeployed "in connection with the cold weather."

INTERFAX's correspondent also reports that on Saturday a column of Dudayev's supporters from Argun entered Groznyy. They arrived in ten buses to launch, as they said, "a peace march." They carried posters with the demand that Russian troops be removed from Chechnya.

Meszaros: No Shots Fired From OSCE

LD3009184495 Moscow ITAR-TASS World Service in Russian 1700 GMT 30 Sep 95

[By ITAR-TASS correspondents Ruslan Maysigov and Sergey Ostanin]

[FBIS Translated Text] Groznyy, 30 Sep (ITAR-TASS) — The people who shot at the local militia were not in the building of the Organization for Security and Cooperation in Europe [OSCE] mission in Groznyy, head of the OSCE mission Sandor Meszaros said at a news conference in the Chechen capital today. In his words, "on the day of the shooting there was no one in the mission building, let alone armed people."

Meszaros essentially confirmed the report made today by Movladi Udugov, minister for press and information of the Dudayev government about threats made against the mission by the local militia and Groznyy Mayor

Beslan Gantemirov, who suggested the mission "move out to Shatoy in the south of Chechnya."

At the same time he said that on Friday the mission was surrounded by the local militia. When Meszaros and those accompanying him wanted to leave the mission building they were forced at submachine-gun point to go back. Meszaros considered this a violation of the diplomatic status of the OSCE representatives in Chechnya. The siege by the local militia was lifted an hour and a half later on the orders of Salambek Khadzhiyev, chairman of the National Rebirth Government of Chechnya. During the time the local militia were there the OSCE mission officials were frisked and they were threatened.

Despite what has happened Meszaros announced the mission's readiness to continue its work.

Lobov Calls for Restraint in Groznyy

LD3009182995 Moscow NTV in Russian
1900 GMT 30 Sep 95

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] [Unidentified correspondent] [passage omitted] Groznyy mayor Beslan Gantamirov signed an instruction to suspend the operations of the Organization for Security and Cooperation in Europe [OSCE] mission in Groznyy, on the grounds that unauthorized rallies were constantly being held outside the building, and on 28 September some Groznyy militiamen had been wounded in an exchange of fire.

Anatoliy Romanov, the commander of the joint group of federal forces and Sandor Meszaros, the head of the OSCE mission, left the session hall to sort out the emergent conflict, without waiting for today's talks to end.

Movladi Udugov, press minister in the Dudayev government, described the situation as an attempt by Russia's protege Gantamirov to impede the work of the OSCE observers.

[Begin Udugov recording] The positive role of the OSCE mission does not seem to please. The vehicles were yesterday fired on by automatic weapons among the demonstrators, and the OSCE mission came under direct threat. [end recording]

[Correspondent] At today's news conference, Sandor Meszaros announced that this was not the first time Gantamirov had threatened to eject the mission from Groznyy. Even before yesterday's instruction, he had said in public that he was in favor of the observers moving to Shatoy village. Yesterday, mission members were blockaded in their building by the Groznyy militia. The law and order officials not only dispersed the unauthorized rally, but also impeded the OSCE members from leaving the building. According to Meszaros, the seige was lifted only after he had appealed for help from his colleague Oleg Lobov. He denied Gantamirov's accusation that firing had come from the OSCE building.

Meszaros believes that in the resulting situation, the Russian side took all the necessary measures to ensure the mission continued its normal work.

Security Council Secretary Oleg Lobov, the Russian president's plenipotentiary representative in the Chechen Republic, who also gave a news conference today, gave a very restrained response to the conflict that has arisen.

[Begin Lobov recording] For anyone to say now that this was the person who fired would mean either being a witness or influencing the investigation, wouldn't it? So let's restrain ourselves. [passage omitted] [end recording]

Lobov Condemns Groznyy Rallies

LD3009152095 Moscow INTERFAX in English
1433 GMT 30 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 30 (INTERFAX) — The place where federal and Chechen negotiators meet, is no place for "political rallies and provocational actions," President Yeltsin's plenipotentiary emissary in Chechnya and the secretary of the Russian Security Council Oleg Lobov told newsmen Friday evening. Lobov was commenting on the incidents of September 28 and 29.

Lobov fears that such incidents will be played up in a bid to "escalate tensions, disrupt the mission's efforts and torpedo the negotiating process." The federal authorities will make "necessary moves for the restoration of law and order," he said.

It had been agreed that no strangers would be admitted to the grounds of the OSCE mission in Groznyy. In Lobov's view, "respect of that agreement would have prevented the misunderstandings and the show of suspiciousness provoked by an outburst of uncontrollable emotions."

A municipal police unit had to disperse an unauthorized rally in front of the OSCE mission Thursday. Police officers were positioned around the building.

At 3 a.m. on September 29, the police officers came under a fire attack launched by the unidentified passengers of a car that appeared from the grounds of the OSCE mission. Three of them, including, according to some sources, the brother of Groznyy's Mayor Beslan Gantamirov, were wounded.

A police officer who prefered to withhold his name, said that it was Dudayev militants who rode the car. OSCE officers refused to confirm or reject that statement and failed to explain the presence of armed people on the mission's grounds.

Khasbulatov Comments on Meeting Lobov

LD2909204495 Moscow ITAR-TASS in English 1832 GMT 29 Sep 95

[By Ruslan Maysigov and Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY, September 29 (ITAR-TASS) — Ruslan Khasbulatov, former Russian parliamentary speaker and Yeltsin's once archfoe, on Friday said that at least 50,000 people died in Chechnya after the Russian President sent trops in this rebel republic in the North Caucasus.

Speaking to reporters after his meeting with Yeltsin's personal envoy to Chechnya Oleg Lobov, Khasbulatov said that he hoped "to use his moderate potentialities (to ensure) that, after all, peace and order reign in Chechnya".

He stressed that not a single problem could be solved by force in the Caucasus. That is why he has decided to enter peace talks "however hard and long they might seem."

Khasbulatov said that, at the moment there are good grounds to achieve peace in the republic, stressing that there is a real possibility to hold elections to the Russian parliament in Chechnya on December 17, together with the rest of Russia.

The former speaker praised Lobov's activities in Chechnya saying that the latter "on behalf of the Russian President is seeking for peace and is dealing with questions of the ruined economy revival."

Replying to a query whether he is prepared for a dialogue with representatives of separatist leader Dzhokhar Dudayev, Khasbulatov said that he is not only "prepared" but considers such dialogue "absolutely necessary".

Khasbulatov invited Dudayev's representatives to take part in in the founding congress of his movement called "The Union of the People for the Liberation of the Republic", scheduled for Saturday. The Congress will unite supporters of the peace mediating group which was headed by Khasbulatov and tried to peacefully solve the conflict in Chechnya before Russia sent troops here.

"Only people with clean intentions should be united in Chechnya. Those who struggle for power are out of place here", Khasbulatov said.

Situation 'Under Control' After 'Brawl'

LD0110111795 Moscow ITAR-TASS in English 1054 GMT 1 Oct 95

[FBIS Transcribed Text] MOSCOW October 1 (ITAR-TASS) — The positions of Federal troops in Chechnya were fired upon ten times throughout Saturday, Vladimir Filichkin, Head of the Press Centre of the Command of the Combined Group of Federal forces in Chechnya, told ITAR-TASS by telephone on Sunday.

Filichkin said the situation "is under control" following yesterday's meeting outside the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy, during which Chechen militants provoked a serious brawl.

The situation in Chechnya has not changed of late. The talks are proceeding languidly, according to an estimate by Oleg Lobov, Plenipotentiary Representative of the President of Russia.

Speaking at a press conference in the Territorial Board of Federal executive power bodies on Saturday, Lobov voiced a supposition that "a protracted negotiating process is of benefit to the Dudayev men." In this situation, Lobov said, the state of affairs can be changed by election arrangements. "Everyone must come to realise that the holding of elections will be realistic only if firing, which flares up from time to time, is discontinued," he pointed out.

The Russian leadership's position on the Chechnya problem has been set out in detail by Russian Prime Minister Viktor Chernomyrdin in an interview with the Canadian newspaper TORONTO STAR, ITAR-TASS correspondent Nikolay Setunskiy reported from Ottawa on Sunday.

"The Russian Federation reaffirms the sovereignty of the Chechen republic within the Federation and its future status is to be determined after elections and the creation of state bodies of power by means of a share-power agreement between the Federal and local authorities. All the agreements signed with Chechnya must be based on the Russian Constitution", Chernomyrdin pointed out.

"If one or another region believes it necessary to change its status within Russia or amend the system of relations with the Federation in general, we are open for negotiations. But if the talk is about violations of the Constitution, there will be no compromise," the Premier said.

The future Chechen state structure will be determined by its residents at democratic elections which "should put the situation on the normal peaceful track".

"I can assure you that the Federal government is doing and will do everything it can to ensure that", Chernomyrdin said.

'Rebels' Refuse To Attend Roundtable

LD2909173295 Moscow INTERFAX in English 1632 GMT 29 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 29 (INTERFAX) — The Chechen rebels have refused to take part in a second session of the Round Table conference scheduled for Saturday [30 September], a conference delegate said on Friday. The conference offers an open forum for various Chechen political factions.

Rebel field commanders consider their participation in the Round Table "premature," Ruslan Soslanbekov, head of a group appointed by the conference to contact the rebel separatist forces, told INTERFAX. The commanders have seen various options for elections in Chechnya proposed at the Round Table but refuse to discuss the matter before the conference works out a "single position," Soslanbekov said.

Nevertheless the separatists "are ready for a dialog" with Round Table member parties and have their own proposals on how to resolve the crisis, he said, quoting field commanders as saying that what they were fighting for was not rebel leader Dzhokhar Dudayev but "freedom in the republic."

The chief separatist delegate to current talks with Moscow, Khodzh-Akhmed Yarikhanov, told INTERFAX on Friday the rebels' participation in the Round Table was "impossible" since the conference was "an assembly of public parties and movements" though "individual members of Dudayev's government who are members of one of the 15 parties registered in Chechnya" might take part in the conference.

Government Decree on Chechnya Normalization

MM2909183895 Moscow ROSSIYSKAYA GAZETA (Documents Section) in Russian 30 Sep 95 p 4

[Russian Federation Government Decree No. 956 "On the Implementation of Measures To Normalize the Situation on Chechen Republic Territory," signed by V. Chernomyrdin, chairman of the Russian Federation Government and dated 26 September]

[FBIS Translated Text] The Russian Federation Government decrees that:

1. The Agreement on the Peaceful Settlement of the Situation in the Chechen Republic (under the group of military agreements) that was signed 30 July 1995 in Groznyy (hereafter known as the Agreement) be used as the basis for further normalizing the situation in the Chechen Republic.

2. The Russian Federation MVD [Ministry of Internal Affairs], the Russian Federation Ministry for Nationalities Affairs and Regional Policy, and the Russian Federation Ministry of Justice, with the participation of the Russian Federation General Prosecutor's Office, shall within two weeks determine the procedure for the release of forcibly detained persons on the basis of point "B" of the Agreement.

3. The Russian Federation MVD and the Russian Federation Ministry of Defense, with the participation of the Russian Federation General Prosecutor's Office, shall within two weeks determine in accordance with point "C" of the Agreement the procedure for the handover of weapons, ammunition, and military hardware by illegal armed formations and the population of the Chechen Republic and ensure its implementation.

4. It is established that weapons, ammunition, and military hardware unlawfully possessed by citizens not belonging to the illegal armed formations may be bought back in individual instances.

The Russian Federation Ministry of Finance is to envisage the allocation of financial resources for these purposes in the prescribed manner.

5. The leadership of the Interim Joint Forces which are fulfilling tasks involved in the disarmament of all illegal armed formations on the territory of the Chechen Republic shall:

proceed on the basis that the creation of detachments to protect population centers envisaged by the Agreement is allowed only where law enforcement organs have not yet been created in the manner prescribed by Russian Federation legislation;

continue in the prescribed manner to implement measures to create internal affairs organs in population centers and disarm all illegal armed formations as well as individuals unlawfully possessing weapons, ammunition, and military hardware;

carry out in accordance with point "C" of the Agreement the withdrawal of military units and subunits from the territory of the Chechen Republic as the disarmament of the illegal armed formations proceeds.

6. The Russian Federation Ministry of Nationalities Affairs and Regional Policy, the Russian Federation MVD, and the Russian Federation Federal Security Service [FSB], in coordination with the corresponding federal executive organs, shall within two weeks submit proposals on the composition of the Special Observers'

Commission which is to be created in accordance with point "A" of the Agreement.

7. The Russian Federation MVD, the Russian Federation Ministry of Defense, the Russian Federation Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters, the Russian Federation FSB, the Russian Federation Federal Border Service, and the Russian Federation Ministry of Health and the Medical Industry, with the participation of the Russian Federation General Prosecutor's Office and the Russian Federation President's Commission on Prisoners of War, Internees, and MIA's, shall within one month:

— adopt measures to establish the whereabouts and secure the release of servicemen and staffers of Russian Federation internal affairs organs missing in action or forcibly detained by the illegal armed formations;

— ensure the identification and burial of the servicemen and staffers of Russian Federation internal affairs organs who died while fulfilling tasks to restore constitutional legality and law and order in the Chechen Republic;

— and ensure in the manner prescribed by Russian Federation legislation the payment of compensation, grants, and pensions to the relatives of servicemen and staffers of Russian Federation internal affairs organs who died while fulfilling tasks in the restoration of constitutional legality and law and order in the Chechen Republic.

8. The Russian Federation Committee for the Press and the Russian Federal Television and Radio Broadcasting Service shall ensure the regular, comprehensive, and objective coverage in the mass media of progress in implementing the Agreement and of measures to normalize the situation on the territory of the Chechen Republic.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

Moscow, 26 September 1995

No. 956

Russia's Zorin on Troop Withdrawal

LD2909165395 Moscow ITAR-TASS in English 1628 GMT 29 Sep 95

[By Ruslan Masigov and Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY, September 29 (ITAR-TASS) — Eight thousand federal troops were withdrawn from Chechnya from July 30 when a peace agreement went into effect. The number of federal troops was reduced by one-third from the launch date of peace talks, first deputy chief of the regional department of federal executive bodies in Chechnya Vladimir Zorin said.

The withdrawal of federal troops continues. The operation is being carried out in mountainous regions as well. All federal troops were removed from the Nozhai-Yurt region on Thursday, Zorin said.

"The regional department regards the withdrawal as a confidence-building measure towards the Dudayev side. The withdrawal of military units from Chechnya will continue," he said.

In the meantime, Zorin said that the pace of withdrawal is directly linked to the disarmament of Chechen militants who are very slow to do so.

The sides understand some of the key points of the agreement differently. The self-defence militia issue has become a major stumbling block, according to Zorin.

The military accord stipulates that militia units will be created in areas where no police are stationed. However, the Dudayev supporters are trying to have such units set up in all settlements, including cities.

In addition, the Dudayev supporters are misconstruing the idea of weapons buyout. Under the accord, weapons will be bought out from civilians in some cases, whereas militants insist that this clause concern paramilitary groups as well.

Lobov: Moscow Has Cut Forces Twofold

LD3009170895 Moscow ITAR-TASS in English 1637 GMT 30 Sep 95

[By Ruslan Maysigov and Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY, September 30 (ITAR-TASS) — Russia has cut its forces in Chechnya by more than two times, Russian President Boris Yeltsin's special envoy to Chechnya Oleg Lobov told journalists on Saturday.

Lobov said "federal troops are being withdrawn from a number of districts and block posts are being removed."

He did not specify the number of units which still remain in Chechnya, but added that "we cannot stop this process. The military are leaving apartment houses, schools and hospitals because we understand that a temporary deployment of troops in social facilities means inconveniences both for people and the army."

Lobov noted that troops are leaving Groznyy's airport too. They will move to new barracks which are being built nearby.

Udugov: Arms Surrender To Resume 5 Oct

LD3009143195 Moscow Radio Rossii Network in Russian 1400 GMT 30 Sep 95

[FBIS Translated Text] The surrendering of arms will resume in Chechnya on 5 October, according to a new disarmament timetable presented today by the Chechen side at a session of the special supervisory commission, Dudayev's representative Movladi Udugov told INTERFAX. According to him, the Russian side has approved the timetable, and said that it will present its version on Monday. It is expected that after 48 hours following the resumption of the surrendering of weapons, the Russian side will begin the pull-out of its troops from their current positions.

Kulikov on Surrender of Weapons

LD0110100795 Moscow ITAR-TASS World Service in Russian 0806 GMT 1 Oct 95

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow, 1 Oct (ITAR-TASS) — Anatoliy Kulikov, Russian interior minister, has told ITAR-TASS that he hopes the main bulk of weapons in Chechnya will be "surrendered within the next two months." In its turn this will create conditions necessary for holding elections in the republic, he said.

Kulikov said the federal forces "still adhere to the view that the presence of additional armed groups is inadmissible in places where there are law enforcement bodies".

Kulikov believes it is necessary to hold elections in the republic. Their schedule depends on how close the positions of political forces in the republic will be, he believes. The minister said the emergence of new political forces could affect the state of affairs, including the schedule of the elections.

Speaking about contacts with Aslan Maskhadov, head of the staff of Chechen armed formations, Kulikov said a split among the field commanders still exists. He also said 60 percent of them support the head of staff and 40 percent refuse to give ground.

Troops Complete Sernovodsk Blockade

LD3009184895 Moscow NTV in Russian 1900 GMT 30 Sep 95

[From the "Segodnya" newscast]

[FBIS Translated Text] At 1500 today, the Russian Army completed its blockade of Sernovodsk. This is the most serious complication to have emerged since the peace negotiations have been under way. [video shows outskirts of settlements, vehicles on hills above, helicopter, village meeting]

No one can currently give guarantees that there will be no assault on this Chechen settlement. The motorized infantry has occupied the dominating heights. Journalists are not allowed to drive into the town. Combat helicopters are constantly circling overhead, but weapons have not yet been used. Formally, the dispute over Sernovodksk arose because of the so-called self-defense detachment set up in the town. The federal forces think this is in contravention of the the agreement signed. Dudayev's commanders think the opposite.

Troops Advance on Sernovodsk

LD0110110395 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 1 Oct 95

[FBIS Translated Text] A representative of Sergey Kovalev's law-enforcement group reports from Chechnya that federal troop units are advancing toward Sernovodsk in the west of the republic [on the border between Chechnya and Ingushetia]. This information was confirmed for us by a spokesman for the Sernovodsk administration.

[Begin unidentified spokesman recording] Yesterday, at about 1200, the troops who were deployed in Assinovskaya village blocked off the approach road to the village somewhere between Sernovodsk and Sleptsovskaya. They have blocked it off and are standing there, not allowing us through, but they are letting civilians through. [end recording]

Representatives of Sergey Kovalev's group got in touch with the commander of one of the groupings of Russia's Internal Forces in Chechnya, and he said that the blockade of Sernovodsk was being undertaken to cut off some Chechen fighters.

We contacted the Defense and Interior Ministries, but were unable to find out any details.

Khasbulatov Elected 'Union' Chairman

LD3009192195 Moscow INTERFAX in English 1724 GMT 30 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 30 (INTERFAX) — Former Russian parliament chairman Ruslan Khasbulatov, who came to Groznyy Friday, was officially elected as the chairman of the Union of People For Restoration of Republic public-and-political movement.

The movement held its constituent congress in Groznyy on September 30.

The congress proposed that the Chechen National Accord Committee and the Chechen National Revival Government "tender resignation as illegitimate power bodies."

The congress said it deemed necessary to intensify the activity of the round-table conference of Chechen political parties and movements which the congress believes "a peacekeeping tool."

The congress proposed to Russian President Boris Yeltsin that the activity of "all interim federal power bodies in Chechnya" should be unified because "now they duplicate each other."

The Union of People For Restoration of Republic will do its best to prevent military actions in Chechnya and organize political dialogue with all Chechen political parties and movements, including the Dudayev side, the congress said.

The congress involved 1,050 delegates from all Chechen towns and villages and over 300 guests.

Khasbulatov Slams Chechen Authorities

LD3009121795 Moscow ITAR-TASS World Service in Russian 0937 GMT 30 Sep 95

[By ITAR-TASS correspondents Ruslan Maysigov and Sergey Ostanin]

[FBIS Translated Text] Groznyy, 30 Sep (ITAR-TASS) — Speaking at the first congress of the social and political movement The Union of People for the Liberation of the Republic which opened today in the Chechen capital, movement founder Ruslan Khasbulatov slammed the activities of the Chechen Committee for National Accord and the Chechen Government of National Revival.

"The current situation in Chechnya is dangerous — neither peace, nor war. Everybody in the republic is talking peace but actions in this direction are not sufficient and not competent," Ruslan Khasbulatov said. He described as "adventurous" Resolution No 63 of the Government of National Revival of 13 March 1995 on the use of land, according to which the land is handed over to local authorities and residents. One should enter the sphere of land relations cautiously, upon considered decisions and taking public opinion into account, he said.

According to Ruslan Khasbulatov, the agreement on peaceful settlement in the republic has become a good basis for restoring peaceful life in Chechnya. However, the local and republican authorities have not yet used its benefits. According to him, people are wondering how they are going to live when winter comes. This particular question should be the subject of concern for the current authorities who are not greatly worried about the population's future, he said.

Ruslan Khasbulatov described as "an explosive document" the decision of the Committee for National Accord to hold in the republic the elections to the local bodies of power. In his opinion, this document does not take into account the interests of the nonindigenous population of Chechnya.

Khasbulatov: Resolve Status Before Elections

LD3009120895 Moscow ITAR-TASS World Service in Russian 0952 GMT 30 Sep 95

[By ITAR-TASS correspondents Ruslan Maysigov and Sergey Ostanin]

[FBIS Translated Text] Groznyy, 30 Sep (ITAR-TASS) — Before the elections to the local and republican bodies of power the conflicting sides in Chechnya should reach an accord on the status of the republic, Ruslan Khasbulatov said today in the course of his 30-minute report at the first congress of the social and political movement The Union of People for the Liberation of the Republic.

In his opinion, the accord can be based on general principles to be worked out with regard to a future agreement between Chechnya and Russia on the status of the republic. Ruslan Khasbulatov said that this document should elaborate the principles that will bind local authorities by their obligations. If the problem of the authorities' responsibility is tackled, then the conflicting sides will also display pliability, he said.

Ruslan Khasbulatov suggested that a joint group of experts should be formed that will work in a mode capable of bringing about success at the talks. The reconciliatory document should not be too voluminous. All the work has to be completed by the middle of October, and a full agreement could be worked out and signed by the legal authorities, he said. It is clear that if the conflicting sides are not in agreement on this issue, then there will not be any elections, Ruslan Khasbulatov said.

Lobov: Elections May Improve Situation

LD3009181695 Moscow INTERFAX in English 1724 GMT 30 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 30 (INTERFAX) — Preparations for elections to Chechen legislature and the elections themselves may radically change the situation in Chechnya for the better, the Russian president's envoy to Chechnya, Russian Security Council Secretary Oleg Lobov told a press conference in Groznyy today.

He said elections in Chechnya "may also be held on December 17 if shooting and military actions stop."

Lobov praised the appearance of Doku Zavgayev (former chairman of the Chechen-Ingush parliament) and Ruslan Khasbulatov (former chairman of the Russian parliament) on Chechnya's political arena. He said that their activity was unlikely to fan tension in the republic's political life.

Lobov told reporters that the number of federal troops in Chechnya had decreased by two times. He said about 70% of buildings, which had been occupied by servicemen, had been freed.

Lobov said Dudayev militants had recently been not so intensively firing at populated areas and federal troops in Chechnya. He said he hoped that the normalization of the situation in the republic "is acquiring stable nature."

However, Lobov said talks between the federal authorities and supporters of Dzhokhar Dudayev on the military agreement's implementation were "sluggish." "Unfortunately, there is a trend for delaying the talks and the disarmament of Dudayev militants," he said.

With regards to economic problems, Lobov said the situation concerning the financing of the restoration operation in Chechnya had recently improved. "These changes allowed to begin paying wages and implementing the program for energy supply, resolve problems regarding transport and housing construction," he said.

Lobov said only 40% of Groznyy flats would be heated through the central system this winter. He said other Groznyy residents would receive individual electric heaters.

Authorities 'Preparing To Evacuate' Murmansk Oblast

MM2909135095 Moscow RABOCHAYA TRIBUNA in Russian 29 Sep 95 p 2

[Report by Ilona Yegiazarova: "Power Industry Workers Argue and Prepare for Winter"]

[FBIS Translated Text] A conference has been held in Moscow devoted to the problems of power generation. First Vice Premier Oleg Soskovets, Fuel and Energy Minister Yuriy Shafranik, administration heads, and the leadership of the "Russian Integrated Energy System" Russian Joint-Stock Company took part in its work.

The report by Anatoliy Dyakov, president of the "Russian Integrated Energy System" Russian Joint-Stock Company, did not please everyone. Many topical questions in the sector were raised by administration heads and the leaders of energy systems.

The statement by the head of the Murmansk Oblast administration to the effect that the region was preparing to evacuate the population was a real bombshell. There is no fuel left in the oblast and there is virtually no hope that the region will get through the winter. What is more, a few days ago the nuclear submarine centers had their power supply cut off. Over 80 submarines were put out of action. I do not know how disaster was avoided. After all, the consequences could have been worse than those of Chernobyl.

More than 10 villages in Murmansk Oblast which were previously under the "tutelage" of the Army and Navy stationed here have now been abandoned. The entire Barents Sea and Kola Peninsula littoral is now accessible to any foreigner. Commercial structures have for some reason been entrusted with handling the problems of funding power generation in the oblast. But they have vanished, naturally enough with the cash.

Things are little better in Kamchatka Oblast. Its representative said that the region, where winter has already set in, has procured enough fuel for just two months. The oblast is owed 170 billion rubles [R], of which the Defense Ministry accounts for R9.5 billion. If this sum is expressed in per capita terms the military owes each inhabitant R2 million. In terms of fuel it is equivalent to 200,000 tonnes of fuel oil. Yet storms will shortly be beginning at sea, the shipping season will come to an end, and fuel shipment will prove simply impossible.

Virtually every speaker mentioned the presidential edict to the effect that power supplies to strategic installations should not be cut off. There is indeed no means of cutting off space-based systems and submarines. On the other hand the stance espoused by the Defense Ministry, which owes everyone money and is reluctant to pay its debts, should be discussed at government level.

The nonpayment crisis, in which the Finance Ministry has also had a hand, has prompted power industry workers to take the desperate step of asking the government to write off all the debts and start from scratch. But is there any guarantee that it will not all repeat itself again with the current economic system? And that in the coming winter the power industry's worsening problems will not be the subject of political intrigue. Particularly ahead of the elections.

At any rate the conference completed its work. Oleg Soskovets instructed Yuriy Shafranik to prepare a list of questions within the day to be immediately submitted to the government for consideration.

Ossetian-Ingush Third Round Talks End 'In Vain'

LD3009000495 Moscow INTERFAX in English 2254 GMT 29 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 29 (INTERFAX) — The third round of talks between North Ossetia and Ingushetia ended in vain, Ingush top negotiator at talks with Ossetia, Prime Minister Mukharbek Didigov said shortly after the talks were over in Vladikavkaz today.

The parties discussed the return of refugees displaced by regional conflict.

The Ingush president's press service told INTERFAX that Didigov blamed the failure of the talks on North Ossetia, "which still insists on returning the deported Ingush only to 8 populated centers of North Ossetia's Prigorodnyy region and declined to set the time limit for this process."

The Ingush side said the third round of the talks proved that the North Ossetian leadership did "not intend to really resolve the problem of displaced persons or carry out the Russian president's corresponding decrees and the July agreements signed by the two republic's presidents in Vladikavkaz."

Didigov said "working meetings and talks on all levels are still used for delaying and them fully stopping the return of refugees to North Ossetian territory." He said such a policy of North Ossetia "fails to contribute to the stabilization of the situation in southern Russia."

Reportage on Chernomyrdin's Visit to Orenburg Oblast

Promises No Rise in Prices for Fuel

LD3009210895 Moscow ITAR-TASS World Service in Russian 1515 GMT 30 Sep 95

[By ITAR-TASS correspondent Nikolay Goncharov]

[FBIS Translated Text] Orenburg, 30 Sep (ITAR-TASS) — Viktor Chernomyrdin, chairman of the Russian Federation Government, said in Orenburg that prices of electricity, gas, transport, and coal in Orenburg Region, which has suffered so badly from the drought, will not be raised till the end of the year. Moreover, speaking at a conference of heads of the agro-industrial complex, he said it was necessary to conduct and adjust interregional, inter-territorial, and interstate reciprocal accounts throughout the whole fuel and energy complex.

Chernomyrdin stressed that "now times are different. It is the time of market relations. Ten or so years ago no-one would have been able to say how much a cubic meter of gas and a kilowatt of electricity would cost today, because then they were almost free of charge." "Now everything has to be counted. We have to live according to the market," he said.

However, the chairman of the government forbade electricity to be switched off from animal husbandry farms and processing enterprises for nonpayment. He drew attention to the fact that one should not get carried away with blanket power cuts, without discrimination, especially cutting off important "strategic facilities" (animal husbandry comes under these).

"There should be a flexible system of management in everything," he added.

Criticizes 'Distorted' Land Ownership Views

LD3009214295 Moscow ITAR-TASS World Service in Russian 1527 GMT 30 Sep 95

[By ITAR-TASS correspondent Nikolay Goncharov]

[FBIS Translated Text] Orenburg, 30 Sep (ITAR-TASS) — Viktor Chernomyrdin, chairman of the Russian Federation Government, said in Orenburg that no-one can resolve the issue of land without the farmers. Speaking at a meeting of managers of the Orenburg region's agro-industrial complex about the referendum on the ownership of land, he sharply rebuffed those politicians who are "presenting the truth in a distorted and wrong way."

The Russian prime minister said that "we have so much unused land that should be brought into order. But nobody will resolve the issue of the purchasing of land without the master [khozyain] — the farmers. It belongs to the farmer and to no-one else. As for the tale about the sale of land by the government on a massive scale, this has been dreamed up by various State Duma deputies — the likes of [Mikhail] Lapshin [chairman of the Agrarian Party] and our fellow-countryman from Orenburg, [Aleksey] Chernyshev who is chairman of a State Duma committee."

Chernomyrdin, as leader of Russia Is Our Home movement, refrained from talking much about his brainchild. He only noted that "I am for Russia. This is a fact. I do not think anybody is against Russia."

Speaks to Leaders on Agriculture, Taxes

LD3009185995 Moscow ITAR-TASS in English 1746 GMT 30 Sep 95

[By Nikolay Goncharov]

[FBIS Transcribed Text] ORENBURG, September 30 (ITAR-TASS) — Russian Prime Minister Viktor Chernomyrdin said Russian agriculture has only one path to go — the path of reform.

Speaking at a meeting with local agricultural leaders in Orenburg on Saturday, Chernomyrdin urged them to use 88 billion roubles provided by the federal government to the Orenburg region to fight the current drought effectively and thriftily.

"The government is concerned about the consequences of the drought for it has hit a territory stretching all the way to the Urals. But because the Orenburg region is in its epicentre, the government wants to use it as an example for other regions how to solve problems and find a way out of crises," he said.

He stressed that "reforms in the agro-industrial sector are irreversible. There is no other path."

He pointed out that the government will "continue subsidies to agriculture, but it has to pay off."

[Moscow ITAR-TASS in English at 1809 GMT on 30 September in another Orenburg-datelined report by Nikolay Goncharov adds: "Russian Prime Minister Viktor Chernomyrdin said new tax regulations will be introduced in Russia starting January 1, 1996.

["Speaking at a meeting with local agricultural leaders in Orenburg on Saturday, Chernomyrdin said 'the current system of taxation aims at containing and slowing down production and taxes are literally strangling producers.'

["'I hope that the government will simplify this system. The State Duma will also probably think about how to change the procedure for levying taxes, how many taxes we should have and whether or not they are expedient,' he said."]

Yuriy Chekhov Elected Mayor of Volgograd

LD0210085795 Moscow ITAR-TASS in English 0524 GMT 2 Oct 95

[By Sergey Trofimov]

[FBIS Transcribed Text] VOLGOGRAD October 2 (ITAR-TASS) — Yuriy Chekhov, 46, head of the City Administration and Member of the Federation Council, the Upper House of the Russian parliament, has been elected the Mayor of Volgograd.

According to preliminary results, about 60 per cent of the electorate voted for him at Sunday's elections.

Chekhov was registered as an independent candidate. In the run-up to the election campaign, he had announced his withdrawal from the Russia Our Home movement.

The outcome of the elections to the City Duma proved unexpected. Candidates of the regional organisation of the Communist Party of Russia emerged victorious in 22 out of 24 electoral districts, according to preliminary results.

As far as the military are concerned, they had nominated a candidate to run for the Duma in every district and one candidate for the Mayor's Office. They all suffered a setback.

Specified election results are expected to be announced on Tuesday.

Economic Issues

Chubays: Revenues To Increase at Debtors' 'Expense'

LD2909202995 Moscow ITAR-TASS in English 1728 GMT 29 Sep 95

[By Vladimir Zadera]

[FBIS Transcribed Text] Moscow, September 29 (ITAR-TASS) — The Russian Government intends to increase budgetary revenues at the expense of toughening its attitude towards several dozens of major debtor enterprises, said Russian Vice-Premier Anatoliy Chubays at a news conference today devoted to the economic situation in the country.

Chubays described the situation in the Russian economy as "far from easy" despite some encouraging figures. The gross domestic product for the three quarters of 1995 was out down at 97 per cent against the same period last year and industrial output - 98 per cent, respectively. Tangible progress (10-15 per cent) has been reported in the metal, chemical, oil petroleum industries and housing construction. The trade turnover with foreign countries has also increased, Chubays said.

Forecasts made by opponents of the government predicting another spiral of prices this fall did not work out. In September, inflation rates have not exceeded 4.5 per cent. According to Chubays, the rouble exchange rate will remain stable in the next few months. The process of price increases for foodstuffs will be slowed down. In September, the cost of a food basket went down for the first time.

The living standards are the most difficult problem and they remain unsatisfactory, Chubays said. This year, wages and incomes are worse than last year, although the gap between different income groups of the population has narrowed. Housing construction went up by 14 per cent. Death-rates,including both children and adults, have declined and the number of unemployed in the country turned out to be much lower than expected, Chubays said.

The government is concerned over the fulfillment of its budgetary commitments, and primarily, wage increases. Apart from 54 per cent wage increases to workers of budgetary enterprises which came into effect since September 1, tariff rates are expected to be revised as of November 1 to increase remunerations by another 30 per cent, Chubays said.

He noted that the situation with debtor enterprises belonging to the Military and industrial sector, the worsening position of exporters, the situation in the banking sector and insolvency of enterprises are the worst problems on which the government have concentrated its efforts.

Yasin Rules Out 'Sharp Price Hikes' Before Jan

LD3009100095 Moscow ITAR-TASS in English 0856 GMT 30 Sep 95

[By Oleg Velichko]

[FBIS Transcribed Text] MOSCOW, September 30 (ITAR-TASS) — "Present allegations about sharp price hikes and a considerable growth of inflation before the end of the year are utterly groundless," Russian Economics Minister Yevgeniy Yasin said in an interview with ITAR-TASS here on Saturday.

He noted that crediting of the deficit budget (the main inflationary source) by the Central Bank has been removed. The minister pointed to the action of the currency "corridor", established by the government, as another factor containing inflation.

"If the course for stabilisation is preserved, the growth of domestic prices will decelerate," he stressed.

Yasin admitted at the same time that monthly inflation will rise by two-three percentage points up to the end of the current year.

It will be remembered that the inflation level rose by 4.6 percent per month in August and by 4.5 percent in September.

Committee Details Wage Debt in Three Sectors

LD2809130995 Moscow ITAR-TASS in English 1140 GMT 28 Sep 95

[By Aleksey Filatov]

[FBIS Transcribed Text] Moscow, September 28 (ITAR-TASS) — The Russian budget's total debt in wage to industries and construction, transport and agriculture sectors amounted to 8,027 billion roubles by September, 91 per cent up from the start of this year.

A report by the Russian Statistics Committee, dispatched to ITAR-TASS today, says the wage debt has piled in all economic sectors.

Two-months delay in wage was 2,186 billion roubles as of September 1, which is on average four per cent up from the last month's figure.

Increases in the debt were two per cent in the industry, three per cent in construction and nine percent in agriculture.

Deputy Finance Minister Petrov Views Current Budget

MM2909140295 Moscow IZVESTIYA in Russian 29 Sep 95 p 2

[Report by Irina Savvateyeva: "Budget-95: Pensioners, Chechnya, the Military — Will There Be Enough for Everyone?"]

[FBIS Translated Text] At the start of the traditionally uneasy financial fall this question arises increasingly frequently in the process of legislators' work on next year's basic financial document — the 1996 budget: What about this year's budget? IZVESTIYA asked Vladimir Petrov, first deputy minister of finance, to answer this question.

According to the deputy minister, assessments of revenues are ambiguous. As regards taxes, according to estimates by the Ministry of Finance, 78 percent of all the tax collections planned for the year will already have been received by the end of September. Thus the actual receipts are outstripping the guidelines outlined by the government for 1995.

Nevertheless, the extent of the budget arrears is quite significant (28.4 trillion rubles [R] according to recent data), and it has a tendency to grow. The deputy minister of finance believes that a cardinal solution to the problem can only be found by changing the very system of collecting taxes from enterprises. Current practice presupposes that payment is made after the vendor receives the money for selling output. But the Ministry of Finance is proposing paying the tax right after the output is dispatched.

The Ministry of Finance realizes, however, that it will be quite difficult for enterprises to adapt to the new system of paying taxes. Nonpayments might increase. Therefore it is proposed that the introduction of this measure at the beginning of next year will be accompanied by the use of all sorts of deferments and installments relating to payments into the budget.

The abolition of benefits relating to foreign economic activity is already making itself felt. Although for the time being the receipts associated with this are relatively small: R1 trillion (let us remember that the budget's direct and indirect losses from the existence of these benefits were valued by some experts at R10 trillion).

The situation with regard to nontax payments — receipts from privatization and from the Central Bank's profits — is as follows. Of the R7.15 trillion planned for the year, the Central Bank has so far given the budget only approximately R3 trillion. At the same time the bank claims that it has no more money, and the Ministry of Finance is unable to monitor it: For many years now the Central Bank's profits have been distributed exclusively by its board of directors. According to Vladimir Petrov, the State Duma exercises no control. So all information about the Central Bank's income and expenditure remains closed.

The revenue from privatization totaled R200 billion during the [first] eight months. Vladimir Petrov believes that the budget will, at best, receive R5 trillion under this heading before the end of the year (R9 trillion is planned). In the deputy minister's opinion, the chief reason for the failures is the desire of the State Committee for the Management of State Property to take over all questions of implementing the money stage of privatization. The sectoral departments must be involved in this process, Mr. Petrov believes.

The idea of financing the state budget by having commercial banks provide credit is making progress "far more slowly than we would like." It is being implemented partly by "LUKoil," which is promising to pay to the state budget R1 trillion of its debt by selling its own securities.

As regards funding the state budget deficit (it has now reached R49 trillion of the R73 trillion planned for the year), this is being done, according to Petrov, mainly by means of internal borrowings. The Ministry of Finance is counting on serious receipts from the sale of savings loan bonds for the population from the beginning of October.

Meanwhile the Ministry of Finance still has quite serious problems with funding this year's expenditure. Food in the Army is one of the painful issues. In the past, when the 1995 budget was being discussed in the State Duma, this item was excluded altogether, although the Ministry of Finance and the Ministry of Defense insisted that that should not be done. Today we are consequently having to stop up the resultant hole.

The government will have to compensate for the state's arrears relating to the state order by using tax exemptions; by converting the arrears into treasury bonds. "Live money" will also be paid out. But it will not be possible to pay off the whole debt. Part of it will be transferred to next year.

Another painful problem arose after the minister of defense adopted the decision to increase salaries in the Army by 35 percent. That raise was not agreed with the Ministry of Finance. As a result, debts appeared. There are still arrears in respect of servicemen's pay and allowances — arrears which, however, the Ministry of Finance intends to cover.

The deputy minister "agrees absolutely" with the need to settle accounts with pensioners, although formally this is a problem not of the state budget but of the Pension Fund. The fund has already been allocated R4.2 trillion to clear its debts to pensioners. It is proposed to transfer a further R500 billion before the end of the year.

Let us note that the majority of the aforementioned costs were not provided for in the budget. Therefore the Ministry of Finance intends to submit legislative proposals to fund the additional expenditure. Some R4.7 trillion to provide pensions. Some R6.2 trillion to restore Chechnya's economy. Some R10 trillion to increase wages. Some R2.3 trillion to provide the Army with food. One source of funding is left for all above-plan expenditure — above-plan revenues.

It is clear, however, that it will not be possible to fund all the budget expenditure, and this year's debts will migrate into the 1996 budget.

Replying to IZVESTIYA's question as to whether the government will have any problems funding the elections, Vladimir Petrov reported that the payments enshrined in the budget are being made punctually. It is interesting that, of the R610 billion, R552 billion has already been expended.

As for Oleg Lobov's recent proposals to pay compensation to those who suffered during the Chechen war, "the question is still being decided." This question is valued at R400 billion.

Despite all the ambiguity of the situation with regard to the budget, Vladimir Petrov is inclined to think that the problems of funding it will not have a deleterious effect on the state of affairs with regard to inflation. Our interlocutor's inflation forecast for September is 4.7 percent (last year it was 7.2 percent). The deputy minister believes that this year's advantage is that the traditionally high expenditure in June and July was spread out in time, and so it should not produce a sharp inflationary blip in October and November.

Joint Study of Russian Economic Reform Examined

MK2909121795 Moscow SEGODNYA in Russian 22 Sep 95 p 2

[Report by Mikhail Lantsman: "Marek Dombrowski: There Are No Objective Reasons in Russia That Can Impede the Fight Against Inflation. Author of Polish

Reforms Thinks the Russian Government's Range of Correct Decisions Is Very Narrow"]

[FBIS Translated Text] Polish Professor Marek Dombrowski, author of the "shock therapy" that panned out well in his country and one of the world's leading economists, and Andrey Illarionov, director of the Institute of Economic Analysis, have unveiled to journalists a joint Russian-Polish analytical study "The Second Year of Economic Reforms in Russia. Lessons for Poland and Eastern Europe." The debut took place in the Russian-American Information Press Center in Moscow.

The monograph, written in the "white book" genre, gives a representative picture of the state of the Russian economy of systemic reforms in 1993. [sentence as published] Today, two years later, as Mr. Dombrowski pointed out, the macroeconomic situation in Russia has changed radically. The government has made considerable progress in its coordinated budget and credit policy. The mechanisms for the inflationary crediting of state-run enterprises and of ruble-zone states are now covered with rust. The ruble zone itself has vanished from the map. The behavior of the Central Bank has come to be more in line with the market-based transformation policy. In Mr. Dombrowski's words, the Central Bank today is facing a different problem typical of most East European countries: How to neutralize the inflationary consequences of a rapid growth of hard-currency reserves.

Nonetheless, as the Polish economist pointed out, it is too early to celebrate victory in anticipation of rapid economic growth. The attained level of macroeconomic stabilization has not become stable yet. The government has virtually no right to err. The range of correct decisions is extremely narrow. A few errors will suffice for the country to fall into another inflationary pit. While in 1993 Russia was still the leading country in the CIS in fighting inflation, the results of eight months of the current year throw it back to join the group of outsiders, together with its Slavic neighbors Ukraine and Belarus.

In Mr. Illarionov's estimate, the Russian economy went, over four years of reform, through four attempts at macroeconomic stabilization. The "hurdle," however, has not been cleared yet. Now, after four attempts, it is much harder to persuade the nation that the sacrifice has not been in vain and that its citizens will not face yet another surge of inflation instead of healthy economic growth.

The results of change in the Russian economy in 1993 and their being in line with the stated goals of macroeconomic stabilization convinced the authors of the monograph that, unlike East European scenarios, the Russian scenario has in it many concessions, political compromises, the absence of logic, purely cosmetic changes, and attempts to return to the old system. In the meantime, economic growth now in evidence in Poland, the Czech Republic, Hungary, and Slovenia gives a definite answer to the question of which road to a market economy is more effective. Russia's experience, the authors think, should dispel illusions about the existence of a "third road." At the same time, the authors pointed out, Russia is the only postcommunist country where massive privatization is far ahead of macroeconomic stabilization and liberalization of the economy.

In Mr. Dombrowski's opinion, there are no objective reasons in Russia that can impede the fight against inflation. It only takes the political determination of the government and a consistency of decisions. Unless political conditions change following the parliamentary election, the monthly rate of inflation, Mr. Dombrowski expects, will drop to 1 percent by the end of 1996.

Russian Economic Influence on CIS Discussed

954E1506A Moscow ROSSIYSKAYA GAZETA in Russian 26 Sep 95 p 1

[Article by Vladimir Kucherenko: "Joint Labor Would Help Bring Back the CIS Market: Are the CIS Countries To Be a Sphere of Russian Economic Influence or Not? This Was a Topic of Discussion at a Session of the Government of the Russian Federation"]

[FBIS Translated Text] The presidential edict of 14 September calls for just such a position to be secured for Russia. After all, despite the drawing of new borders and the introduction of its own currencies, the economy of the CIS remains practically the unified organism inherited from the USSR. And today the severance of ties has presented a real prospect of the economies of the "new abroad" being doomed to protracted degradation, and the Russian economy, to enormous sacrifices for making up for the lost links of the production chains.

It is vitally important today for Russia to reconstitute joint labor. We need cotton, supplies for defense industry (without them we are powerless to manufacture new weapons for the army), aluminum raw material, and joint labor in nuclear power engineering, which is assuming an ever greater role—such is the opinion of V. Serov, head of the Ministry of Cooperation. Without the joint participation of all the former republics of the USSR in an upturn in Russia's fuel and energy complex, a further downturn signifying a crisis for the whole of the CIS awaits it. The same applies to the unified railroad, meteorological, and radar systems of the former USSR.

There is one further aspect of cooperation in the CIS: The Commonwealth is becoming a promising sales market for our industry. There is a danger of it being lost.

What is to be done? In V. Serov's opinion, in the three years only the first step has been taken: the Customs Union of Russia, Belarus, and Kazakhstan. Incredibly difficult work has to be performed now: the formation of a common payments system and interstate financial and industrial groups (FPG) and coordination of the plans of economic reform and legislation, that is, we are talking about the reconstitution at the economic level of the mechanisms characteristic of the unified organism that disappeared in 1991.

Until we have all of this, all efforts will go for nothing, the FPG's will be inoperative, and the degradation will continue.

Cavalry attacks will not work here, understandably. Moldova, for example, is not yet in a position to pay Russia its debts.

It would be good, for example, to restore the connection of the iron and steel industry of the South Urals and the raw material base of North Kazakhstan. But the Japanese have intercepted the chromium deposits there. In order to put a stop to their rapacity it was necessary, according to S. Afonin, head of the Committee of the Russian Federation for Metallurgy, to put the "squeeze" on Almaty, which needs electric power: You give us the chromium, we'll give you the current.

Exports to the CIS of Russian mechanical engineering products are a second problem. Should we lose this market, things would go hard for the industry of the Russian Federation, which is in an adverse situation as it is. But our neighbors have no money. So we need to give them tied credit: so that the money not leave Russia but go directly to the suppliers of commodities to the CIS.

This system was demanded by V. Serov and the Committee of the Russian Federation for the Defense Sectors of Industry and the plant directors.

The Ministry of Economics and Deputy Premier A. Chubays reacted stiffly to these demands: The budget is not made of rubber, show us where the money is to come from!

In response the leaders of Roskontrakt and the Mytishche Machine-Building Plant declared sharply: We need to find ways and accept payment in property, merchandise, housing, food.

Premier V. Chernomyrdin agreed with the need for an increase in lending. He proposed that more active work be done for this with the commercial structures and banks and that thought be given to the creation of free economic zones. And there should be more active inclusion in the work here of the Ministry of Finance, the Central Bank....

A further 10 days have been given for revision of the draft decree "State and Prospects of Trade and Economic Cooperation With the CIS States."]

Analysis Center Views Short-Term Socioeconomic Trends

MM0210114095 Moscow TRUD in Russian 29 Sep 95 p 2

["Forecast Prepared by the Strategic Analysis and Forecasting Center, leader Professor D. Olshanskiy": "A Time To Embrace. Scenario for the Near Future"]

[FBIS Translated Text] The development of socioeconomic processes in late September and early October will be marked by certain innovations both in the authorities' economic policy and in the behavior of participants in the market.

The authorities will be primarily concerned with the problems which will arise **as a result of the absence of a normal monetary and financial system** serving the entire economic organism of society. Hopes that this task would be comprehensively resolved by the commercial banks have not yet proved justified. The last illusions were dispelled by "Black Thursday" — the crisis on the interbank credit market. The authorities have already adopted a number of decisions in September, among which we might single out the presidential edict "On the Creation of the Russian Financial and Banking Union." It assumes the unification of all banks in which there are blocks of shares in federal ownership. Then came the government decree "On the Creation of the All-Russia Bank for the Development of the Regions." This bank is tasked with working with the budget funds allocated for the regions. We are thus witnessing the start of a new stage in the life of financial structures. It could be termed the stage of "renewed state involvement." Under the influence of this trend these edicts can be expected to be followed by further new steps.

The pile of problems linked to the ethical norms governing mutual relations is becoming the most important problem for businessmen. The money supply situation is deteriorating, and growing competition is forcing many structures to struggle single-handed for a place in the market. Some of them often resort to violence. Entrepreneurs will soon start seeking various instruments in an attempt to get businessmen to refrain from such methods for achieving their objective. An important place among them will be taken by the signing of various kinds of "charters," the creation of "mutual trust societies," and so forth. The "wave of mergers" — or rather the wave of would-be mergers and consolidations being demonstrated by many banks — is developing in the same direction. "Menatep," "Stolichnyy," and "Natsionalnyy Kredit" have already voiced their wish to join forces in a single group. The National Sports Foundation is strengthening friendship with them. As the saying goes, there used to be a time to refrain from embracing but the time to embrace is now dawning.

But most likely a number of banks, having failed to get the wave of violence to subside and unable to find new instruments, will turn to the old instrument of the state. There will be renewed requests for "the most resolute measures" to be applied. The instinct for self-preservation will encourage "state involvement" sentiments among businessmen. But will the supporters of a liberal market not then complain?

The situation on the financial market is marked by the slow advance of inflation. It will total **around 4.5-5.7 percent a month.** There will be no particular change in foreign currencies' rate of exchange against the ruble. Currency exchange dealings will be characterized by stable levels of sales and stable numbers of players. Unlike the foreign currency market, **the high level of operations on the securities market will persist** (state loan bonds and so forth). This is where the center of business activity will lie in the near future.

A number of enterprises in the real sector of the economy will also begin to display a desire to see "renewed state involvement" and to "embrace" the state. This will be particularly true of the metallurgical and instrument-making industries.

There will be continuing **increases in the prices of Russian-produced output:** nitrogenous fertilizers (up 19 percent), untreated lumber (up 20 percent), plywood (up 33 percent), aluminum (up 22 percent), trucks, and newsprint. The increased cost of Russian-produced industrial output will also lead to increases in the prices of Russian-produced goods in mass demand. First and foremost cheap traditional-style cigarettes (23 percent), sugar (11 percent), coffee products (14 percent), tea (17 percent), and butter (9 percent).

The overall daily increase in consumer prices will be higher than at the beginning of September: It will total 0.19 percent as against 0.17 percent in mid-month. But the main problem for the population is caused by the continuing **increases in prices and charges for services** — municipal, notarial, transport, and others.

Given the slow but steady increase in the cost of living the population is also facing another problem which has become worse — **the preservation and accumulation of funds.** With the dollar forced into a currency band, ruble inflation, and a crisis among financial structures citizens are being prevented from not only augmenting but even preserving their savings.

In this situation the problem of **wages** is of great significance for the population. The principle "Think about your income, not your expenditure" is starting to operate. Since the overall cost of living is rising anyway, it is difficult to preserve and augment your money, so there is only one thing left to do — try to ensure a constant inflow. The bulk of the population is going to tackle this problem by demanding wage raises and seeking additional earnings. Whereas the latter option will be exercised on an individual basis — "capitalist-style" — the former task will be tackled "socialist-style" — via collective struggle at citizens' main workplace. This will contribute to the exacerbation of the political struggle — at which point embraces go out the window!

The incipient growth in prices for Russian-produced output shows that many enterprise leaders have already started to succumb to the pressure from their workforces. As yet this pressure is "quiet." But individual events testify that the "silent majority" could switch to dynamic action.

In September there was already a wave of spreading strikes and pickets. Yuzhno-Sakhalinsk miners suspended their strike in anticipation of the allocation of 20 billion rubles [R] toward paying off their wages arrears. At the same time 500 miners from the "Vorkutagol" association staged a picket. The air traffic controllers' union declared a pre-strike situation. The teachers had another strike. Their common demand is for wages arrears to be paid. There have been protest actions against wage delays among ship repair workers at the "Vostok" military yard: They even prevented a submarine from putting to sea.

Federal and local authorities are attempting to react in some way. The Kuzbass legislative assembly adopted a law on social protection for miners in the event of mine closures and as a result of delayed wages. There has been a Russian Federation presidential directive on allocating R2 trillion to pay off the pension and wages arrears owed to public-sector workers and R3 trillion for the Army. But these partial measures do not solve the main problem of the rising cost of living. The politicians are trying to neutralize the population's protests with promises and to wait until the end of the election campaign. It seems, however, that this fall will see the beginning of the end of the myth that it is possible to generate revenue in Russia from "cheap labor" prepared to work for any kind of money and silently endure the burdens of the reforms. It will become clear in the very near future that this is no longer the case. This will possibly be a "revelation" to some politicians: They are going to learn something "new" about their electorate.

International Affairs

'Text' of Udovenko 28 Sep UNGA Speech

WS0210103495 Kiev INTELNEWS in English 0005 GMT 2 Oct 95

[FBIS Transcribed Text] The following is a translation of Foreign Minister Hennadiy Udovenko's speech in the General Debate of the 50th Session of the United Nations General Assembly delivered Thursday in New York. The text was received by INTEINEWS from Ukraine's Foreign Ministry on Friday.

MR. PRESIDENT,

In the historical calendar there exist dates which will never be forgotten. The year 1945 is one such memorable time. Recently, all of us together celebrated the 50th anniversary of the end of World War II. The calendar of international life is forever interwoven with the half-century history of United Nations.

Paying tribute to the founders of the United Nations, with Ukraine among them, our delegation would like to note the leading role of President Franklin Delano Roosevelt — one of the initiators of the creation of a universal organization and the author of its very name — "the United Nations." We are confident that the United Nations can work out an appropriate way to pay respect to this outstanding person.

During the past half century the United Nations, as no other international organization, has acquired the credibility of a reliable instrument for maintaining peace, mediator and active participant in the peaceful settlement of conflicts, champion of human rights protection. The United Nations has played a decisive role in the de-colonization and self-determination of peoples. The United Nations proved its viability, having experienced the difficult decades of the Cold War, when the walls of its headquarters often became an arena for the struggle of two opposing blocs. Ukraine, whose institutions of statehood were developing along with the United Nations and were fully established after the proclamation of independence in 1991, feels the United Nations' considerable support as well.

As is attested to by the dramatic events of the past quarter of the 20th century, the pinnacle of the philosophic triangle of "peace-development-democracy" is still peace. And the most illustrative example of this is the tragic conflict in the territory of the former Yugoslavia. This conflict, because of its nature, is based on all possible reasons: militant separatism, ethnic confrontation, religious intolerance. The most dangerous is the fact that this conflict, as to its scale, developments and tragic consequences, has turned into a real threat to international peace and security. I think that for all of us, members of the United Nations, the painful fact is that we are again and again compelled to return to this issue, even during the jubilee, 50th session of the General Assembly.

U.N. PEACE-KEEPING OPERATIONS

U.N. peace-keeping operation in this region has revealed both positive and negative aspects of international efforts. The Yugoslavian example in general demonstrates that rethinking the role of the United Nations and adapting it to current realities are proceeding very slowly. Sometimes it seems as if the organization is continuing to live by the inertia of the old mentality, which does not allow it to effectively use its potential and makes it appeal for help to other organizations. Besides, we consider that most of the problems the United Nations is facing in the former Yugoslavia are rooted in the non-observance of at least a number of the major established principles of peace-keeping.

Particularly, this may be referred to the principle of impartiality. Thus, a review of the discussions in the Security Council and the activities of the Contact Group does not, unfortunately, give sufficient grounds to talk about real political impartiality of the positions of some of their members to all parties to the post-Yugoslavian conflict. As a result, the international public opinion forms a view on the policy of dual standards and biased assessments and decisions, and this does not add to the credibility of our organization.

It is universally recognized that success in the final settlement of any conflict depends on will of the belligerents and their readiness for a dialogue and international mediation. At the same time, the consent of the conflicting parties to facilitate U.N. peace-keeping efforts was not always the case. Taking peacekeepers as hostages by the parties to the conflict in the former Yugoslavia makes us seriously think of the necessity of establishing a comprehensive mechanism for the use of force and enhancement of the protection of U.N. peace-keeping personnel. In this connection, Ukraine which has initiated the elaboration of the Convention on the Safety of United Nations and Associated Personnel, calls upon all countries to expedite the ratification of this document.

At the same time, in spite of all unprecedented difficulties and some miscalculations in conducting the U.N. peace-keeping operation in the former Yugoslavia, we find it necessary to keep U.N. forces there. Accordingly, we should continue to seek ways for a peaceful settlement of the conflict. It seems that today everybody agrees there is no alternative to a political settlement.

We welcome efforts in this direction, particularly the recent intensification of the relevant activities by the United States. We also believe that Russia can play a greater and constructive role in a peaceful settlement. For its part, Ukraine, as a major contributor to UNPROFOR, is ready to continue its cooperation with the United Nations in this field. I would like to confirm that Kiev is ready, if necessary, to host a meeting of the leaders of the parties to the conflict with the participation of all countries concerned and international organizations. The President of Ukraine Leonid Kuchma has sent letters with the appropriate proposals to the leaders of Serbia, Croatia and Bosnia and Herzegovina. The process of settlement of the Yugoslavian conflict, in our opinion, could be intensified by expanding the composition of the Contact Group and studying new approaches. As an example to follow we note the international meeting on Bosnia held on July 21 in London, in which the delegation of Ukraine took part as well.

Highly appreciating the considerable personal contribution of U.N. Secretary-General Butrus Butrus-Ghali to the philosophy of peace-keeping, we consider that new approaches in this field require further practical development, particularly, principles of utilizing the Rapid Reaction Forces which have already been quite actively involved in the former Yugoslavia.

The issue of implementing the idea of establishing the United Nations Standby Forces, in which Ukraine is ready to participate, remains outstanding.

We consider preventative diplomacy, which demonstrates its potential in the former Yugoslavian Republic of Macedonia, to be one of the priority trends in the development of U.N. peace-keeping activities. In this context, we are again proposing to consider the establishment within the United Nations, and specifically within the office of the secretary-general, a standing council of international mediators, whose membership would include internationally recognized and authoritative political figures.

INTERNATIONAL SANCTIONS

Economic sanctions continue to be an important instrument in the U.N. conflict settlement activities. In this field we find it necessary to elaborate a comprehensive and detailed mechanism of sanctions' implementation which would also take into consideration all their potential consequences, including negative impact on third countries. In our opinion, the embargo regime against the Federal Republic of Yugoslavia today has shown its counterproductivity and has not reached the main objective — promoting peaceful settlement of the conflict. Ukraine considers that along with the process of further political settlement the Security Council should lift economic sanctions against the FRY which in real terms has already demonstrated its willingness to assist in the restoration of peace. At the same time, we proceed from the premise that mutual ad simultaneous recognition of the states that emerged in the territory of the former Yugoslavia should be an important condition of the lifting of the sanctions.

The principle, according to which no single state or regional organization can be granted the right to be the "main guarantor" of peace and security in one or another region, should continue to be a cornerstone of U.N. conflict prevention and crisis management activities.

Among the undertakings the international community realized in the course of the past year we could find many important achievements which have become our common gains. Today, in Washington, the signing ceremony of an Israeli-Palestinian agreement is taking place, and we want to sincerely welcome both parties and all those who contributed to this achievement.

NUCLEAR DISARMAMENT

I would also like to dwell on one accomplishment which is significant to our country. The conference on the NPT [non-proliferation treaty] was undoubtedly the main event of the last intercession period in the field of arms control and disarmament. It is symbolic that it took place within these walls. Its decision on the indefinite extension of the treaty is really a historic achievement. Thus, Ukraine made its tangible contribution to the global cause — freeing mankind from the most dangerous weapons of mass destruction. Voluntary renunciation by the third largest nuclear state of this monster of the 20th century is unprecedented.

Among all existing treaties on arms control and disarmament the NPT is undoubtedly a key one, since it gives an opportunity to consistently coordinate policies in the field of nuclear disarmament, allowing non-nuclear states to conduct an equal dialogue with nuclear ones. At the same time, I would like to emphasize that in Ukraine's opinion, in spite of the record-breaking number of the NPT participants — 179 countries, we cannot regard as stable the situation when states, which build their security on the possession of nuclear weapons, and states which have never had or renounced them, exist alongside each other.

In this connection, Ukraine attaches great importance to the negotiations on a Comprehensive Test Ban Treaty. Unfortunately, the world community has not managed to mark the United Nations' 50th anniversary with concluding this treaty, but we share the hopes that relevant talks will be successfully completed not later than in 1996. In this context the necessity of observing the moratorium on nuclear tests by all countries is of special importance. Justifiable concern in the world has been provoked by recent nuclear tests. Such actions are not conducive to the enhancement of the favorable international climate emerging after the end of the Cold War.

Huge existing arsenals of conventional weapons and the danger they present for mankind put these weapons in one row with the weapons of mass destruction and require the same close attention. As of today, Ukraine fulfills its obligations under the Treaty on Conventional Armed Forces in Europe. To support the initiative advanced by the U.N. General Assembly the government of Ukraine has declared a moratorium on the export of anti-personnel mines.

MR. PRESIDENT,

The course of historical development has vividly demonstrated the interconnection and interdependence between safeguarding peace and security and economic and social development. In spite of significant achievements in this field, the present-day picture of the world is far from being ideal. Problems of unemployment, underdevelopment, poverty, social disintegration and isolation require urgent solutions. These problems are especially acute for economies in transition that are carrying out fundamental reforms.

PATH TO ECONOMIC REFORM

Ukraine, which inherited a heavy burden of problems from the former USSR, is undergoing a painful period of radical political and economic transformation. Having laid the basic foundations of a democratic political system and civil society during the past four years, Ukraine entered a new stage of development. Last October President Leonid Kuchma proclaimed a new economic policy which is based on the implementation of fundamental economic reform. Now, main efforts are aimed a further strengthening of democratic foundations, creation of a socially oriented market economy, implementing of open, predictable and consistent foreign policy. Reforming the state system of division of powers is being continued. In contrast to most post-Soviet countries we managed, without violent collisions, to find a way out of the constitutional impasse. The important stage is ahead — completion of drafting and adoption of a new Constitution of Ukraine. A diversified system of external economic relations is being gradually established. The process of integrating the national economy into the world economic space is being intensified.

At the same time, the Ukrainian economy continues to suffer crisis phenomena. Having proclaimed the course toward market reform and its fast implementation, Ukraine has to look for its own national model of market transformations. Today the establishment of an effective system of social protection is the principle and most topical task of the government.

The most important priority for President Kuchma and the government of Ukraine continues to be the preservation of civil peace and inter-ethnic harmony in the country. During four years of independence Ukraine has managed to settle confrontational situations by peaceful political means. Ukraine's achievements in the field of securing rights of national minorities are especially evident against the background of numerous conflicts which unfortunately continue to be a reality in the territory of the former USSR.

The national legislation of Ukraine is this sphere has earned high international evaluation, specifically among such authoritative organizations as the Council of Europe, a member of which Ukraine hopes to become yet this year. At the same time we have problems in this sphere, particularly with regard to repatriating the deported Crimean Tatar people and representatives of other nationalities.

The government of Ukraine has developed a large scale national program aimed at safeguarding the rights of national minorities and indigenous peoples, and established a fund for the deported peoples of the Crimea. But in conditions of the economic crisis, a complicated financial situation, with the absence of a necessary infrastructure, services and mechanisms, to accommodate the hundreds of thousands of repatriates appears to be too complicated of a task for Ukraine. Solution of these problems requires a complex approach, mobilization and consolidation of efforts both at the national, regional and wider international levels.

In its international activity Ukraine proceeds from the premise tat stable development is a guarantor of lasting peace.

UNITED NATIONS' ASSISTANCE

At present, when economic reforms in Ukraine are gaining momentum, we are especially interested in the deepening of activities of the United Nations and its specialized agencies in the social and economic field aimed at establishing conditions for the integration of the Ukrainian economy and other economies in transition into the world economic space. The United Nations is an important instrument for promoting this process and we appreciate the fact that the members of this organization show deeper understanding of the problems of countries in transition.

We believe that creating internal preconditions for a steady, gradual development of Ukraine has also an international dimension. The geopolitical situation of Ukraine transforms our efforts to build an economically viable state into an important factor of promoting guaranteed peace, stability and security, including in the field of ecology, on the European continent.

It is this deep understanding of the global interdependence that dictated, in particular, the political decision of President Kuchma on the decommissioning of the Chernobyl nuclear power plant by the year 2000. Next year marks the 10th anniversary of the Chernobyl catastrophe which left not only a deep scar in the fates of the present generation of Ukrainians, Belarusans and Russians but also has a global perspective. We propose to declare 1996 the Year of Chernobyl Commemoration and to organize special activities under the aegis of the United Nations. On the eve of this tragic anniversary, I would like to once again emphasize that the nuclear safety problems as well as decommissioning of malfunctioning and outdated industrial nuclear facilities are critical not only for Ukraine. We are convinced that the time has come for a practical solution of the whole set of issues related to the accident, especially in view of the long-term nature of its aftermath. The earlier we invest money in the solution of this problem, the sooner, and with less negative consequences for the whole of humanity, we shall be able to overcome it. We expect that the support of Ukraine's efforts by the international community will be directed not only to the Chernobyl power plant decommissioning but also to solving the whole cluster of associated economic, social and ecological problems. In particular, we would welcome wide international participation in establishing an international scientific-technological center in Chernobyl.

At the same time, I would like to emphasize that the sense of realism with regard to possibilities of the United Nations in the solution of our national problems has not left Ukraine. We do not aim to compete with the less-developed countries for the limited resources of the U.N. development system. We are ready and willing to cooperate with all interested partners, and we rely on the purposeful activity of the international community aimed at creating favorable conditions for expanding access of Ukrainian exports to the world market. We expect that the World Trade Organization, which Ukraine is ready to join, will play an important role in expansion and diversification of international trade and economic relations.

UNITED NATIONS' FINANCIAL PROBLEMS

Recently the financial problems of the United Nations have had an acute political resonance. There can be only one conclusion: the existing financial system is incapable of guaranteeing the effective functioning of the organization under the current situation and requires substantial reformation.

We fully understand that the financial crisis of the United Nations has been provoked not only by political and economic circumstances but also the imperfect system of apportionment of expenses, which is based on outdated principles. Ukraine will actively support adopting progressive changes to the methods for determining the scale of assessments and the special scheme of expenses for financing U.N. peace-keeping operations, with the aim of reflecting the principle of capacity to pay.

Full participation of Ukraine in the United Nations' activities is impeded by excessive contribution and existing debt for financing U.N. peace-keeping operations. The state, which for the benefit of the world community, adopts political decisions to voluntarily renounce nuclear weapons and decommission the Chernobyl power plant, should primarily have to concentrate its resources on their implementation. Ukraine, whose economy finds itself in extremely difficult of transformation and, at the same time, suffers multibillion economic losses as a result of strict compliance with sanctions against the Federal Republic of Yugoslavia, can by no means continue to be a hostage of the settlement of U.N. financial problems.

MR. PRESIDENT,

The world is changing. The Cold War, confrontation between blocs and bloc discipline have become history, interdependence of states at regional and global levels is increasing. Given the nature of modern international problems, we should be ready to face challenges of the new era. We need a strong and effective United Nations. Its renovation should envelop both the structure itself and the character of activities in accordance with the requirements of the new epoch. In our opinion, a number of measures should be taken to democratize the Security Council's activity, in particular, to increase the legitimacy of its decisions and transparency of its work.

On the whole, Ukraine supports the activity of the open-ended working group on the reform of the Security Council, and hopes that interests of all regional groups, including the Group of Eastern European States, will be taken into consideration during the reform process. Ukraine also supports the proposals related to the improvement of the ECOSOC activities. It stands for the reduction of the staff and enhanced efficiency of the U.N. Secretariat activities, for reduction of the number of the number of items in the General Assembly agenda.

In conclusion, I would like to paraphrase the point of common wisdom: while criticizing the reflection in the mirror, you are criticizing yourself. The United Nations needs renovation. So, we need to renovate ourselves. This organization will not become more effective and instrumental unless its members show enough eagerness for practical efforts. I would not want this assembly, in the 21st century, to listen again to wishful thinking that is not backed by our political will and readiness to work hard.

Thank you.

Udovenko in Talks With UN Chief Butrus-Ghali

LD3009135795 Kiev UNIAN in Ukrainian 1120 GMT 30 Sep 95

[FBIS Translated Text] Kiev, 29 Sep — Ukrainian Foreign Minister Hennadiy Udovenko, who is taking part in the 50th session of the UN General Assembly, held talks with UN Secretary-General Butrus Butrus-Ghali.

The Ukrainian foreign minister expressed concern at the financial difficulties experienced at the United Nations. He handed the UN secretary-general a personal message from the Ukrainian president stating that Ukraine's position on the funding of UN activities was based on its fundamental support for the organization, and that the problem of debt accumulated due to circumstances beyond Ukraine's control is in the center of government attention.

With regard to problems concerning the aftermath of the nuclear accident in Chernobyl, Udovenko stressed the importance of events to be held by the UN next year to mark the 10th anniversary of the disaster.

The two sides noted Ukraine's increasingly active contribution to peacekeeping and conflict resolution in former Yugoslavia and the ex-USSR.

Butrus-Ghali welcomed President Leonid Kuchma's intention to attend ceremonial proceedings at the UN General Assembly session in late October as a gesture of political support for the United Nations.

Moroz Speaks on Moves to Join Council of Europe

LD2909211595 Kiev UT-1 Television Network in Ukrainian 1900 GMT 29 Sep 95

[No video available]

[FBIS Translated Excerpt] [Announcer] A Ukrainian delegation led by Supreme Council Chairman Oleksandr Moroz returned from Strasbourg yesterday after taking part in a plenary session of the Council of Europe Parliamentary Assembly. The issue of recommending Ukraine's entry to the organization was discussed. Oleksandr Moroz and the delegation members held a news conference today.

[Unidentified correspondent] Oleksandr Moroz first dwelt on the meaning of membership of the Council of Europe for Ukraine. He said that in the first instance it is the opportunity for our state to integrate into European structures, and legal recognition of Ukraine's right to enter these structures. In its turn the Council of Europe is also interested in having one of the largest countries on the continent, in terms of territory and population, as one of its permanent members.

What specifically will each of us gain from membership in this European organization?

[Begin Moroz recording] It is the creation of favorable conditions for entry to European markets, [word indistinct] the resolution of economic problems, the improvement of people's living standards. It is the protection of people's interests and rights, including the opportunity to appeal, when in the opinion of a citizen his rights are not protected in Ukraine's structures, [words indistinct]. [end recording]

[Correspondent] Replying to journalists' questions, the delegation members explained that in accordance with its quota, Ukraine will permanently be represented by 12 deputies in the Council of Europe. This representation will be composed in proportion to the groups existing in our parliament at present.

With regard to financial expenditure, Ukraine will pay Strasbourg up to $2 million annually, although the assistance programs organized by the Council of Europe make it possible to cover this expenditure several times over.

One reservation about our state's entry to the Council of Europe concerns the existence in our Penal Code of an article on the death penalty. The speakers noted that Ukraine has now imposed a moratorium on death sentences, and that work will proceed on abolishing this article. [passage omitted]

Prime Minister Marchuk Views 3-Day Visit to U.S.

WS0210091795 Kiev INTELNEWS in English 0149 GMT 1 Oct 95

[By Viktoria Kulakova, "Special to INTELNEWS"]

[FBIS Transcribed Text] Kiev, Sept. 30 — The main results of his three-day visit to the United States are not to be measured in dollars and cents, Prime Minister Yevhen Marchuk told Ukrainian journalists who met him Saturday upon his arrival at Kiev's Boryspil Airport.

Marchuk said he considers "the fact that Ukraine is treated as a reliable partner to be one of the main results of the visit."

"That is a value which can not be gained for money," he said, adding, however that his journey also netted accomplishments which would be appreciated by "accountants."

Among the "accountant"-pleasing results the prime minister cited, "I would like to say that we have received about US$ 350 million of International Monetary Fund standby credit."

In addition, Marchuk lauded the decision of the United States Export-Import Bank to grant Ukraine US$ 500 million in credit assistance.

A jubilant Marchuk told reporters that the success of his visit and the Council of Europe Parliamentary Assembly's approval of Ukrainian membership last week, "are evidence of the fact that Ukraine has become a valuable state which demands attention."

The prime minister also said that he was assured by both Senate Majority leader Robert Dole and House Speaker Newt Gingrich that recent moves in the United States Congress to limit foreign aid to the Commonwealth of Independent States would not adversely affect Ukraine.

Marchuk on Defense Cooperation With U.S.

LD3009171995 Kiev UNIAN in Ukrainian 1315 GMT 30 Sep 95

[FBIS Translated Text] Borispol Airport — Cooperation between the Ukrainian and U.S. Defense Ministries is the most competent, purposeful, and efficient, Ukrainian Prime Minister Yevhen Marchuk told journalists on arriving.

He noted that the efficiency of this cooperation was expressed in consistency, sufficient financing, and concrete results.

Yevhen Marchuk said that accords were reached with U.S. Vice President Albert Gore on setting up provisional joint groups in the sectoral ministries of both countries, which would ensure the organizational implementation of contracts, agreements, accords, and so on.

The prime minister noted that Ukraine needs to set up a small structure within the government, which will be concerned with issues of international assistance.

U.S. Airborne Troops Stage Joint Exercises

LD3009174195 Moscow ITAR-TASS in English 1706 GMT 30 Sep 95

[By Galina Nekrasova]

[FBIS Transcribed Text] LVOV, September 30 (Itar-Tass) — Ukrainian and U.S. airborne troops began a joint military exercise in the Carpathian military district, 80 kilometres from Lvov, western Ukraine, on Saturday.

The platoon-level exercise involves the 82nd U.S. Airborne Division and one of the airborne divisions of the Ukrainian armed forces.

Their objective is to practice interoperability, including parachute jumping, firing exercises and tactical skills.

This is the third U.S.-Ukrainian military exercise in Ukraine this year. In 1996, Ukraine and the United States plan to expand their bilateral military-to-military cooperation in all spheres.

Ukrainian Prime Minister Yevheniy Marchuk, who has just returned from a visit to the U.S., received assurances of financial support for Ukraine's participation in the Partnership for Peace programme.

Ukraine will also receive funds to modernise Europe's largest training ground near Lvov to prepare it for large-scale military exercises involving Ukraine, the U.S. and a number of East European countries scheduled for next year.

Kuchma on Economic Crisis, Chernobyl, Black Sea Fleet

LD3009173195 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 30 Sep 95

[FBIS Translated Text] Ukraine will have its own program for getting out of the crisis, Ukrainian President Leonid Kuchma said during his visit to Dnepropetrovsk. We will not go into the world community or European integration as a cheap labor force or raw material appendage, but with our own countenance, the president emphasized.

In order to do this, for example, in accordance with the government program it is intended to analyze by the end of this year, together with the local state administrations, the state of each enterprise and its possibilities of surviving in market conditions. One has to clearly decide which enterprises are needed by the state and our economy, and to decide on this basis whether to support their development at state level. In the first instance we will assist competitive and profitable enterprises, the head of state noted.

One should develop relations between labor collectives and the government only on a partnership basis, Kuchma said. If the state really needs a product, it ought to invest funds into its production, but at the same time have its own part of the shares and profits. If there is no such contact, the enterprises ought to find their way out of any situation independently, and not count on state support.

The president noted that he had received positive responses to Ukraine's statement on the necessity of a political resolution for the Chernobyl problem from practically all the G7 leaders. It has already been decided at the meeting of experts to divide the program for its resolution into two parts — -the profitable one, and the one requiring international credits.

We have almost agreed to the fact that there is no sense in building a steam-gas electric power station in the vicinity of Chernobyl, the president said. It would cost more to the country than a coal or a nuclear power station because it would be fully dependable on gas deliveries. First and foremost, it is necessary to solve problems of the social protection of the population in that area. An international center will be set up for that purpose — a preliminary agreement to that effect has already been reached with the G7 leaders. Four billion dollars are required to solve the Chernobyl problem — $1 billion per year. A large sum indeed, but if divided into seven it will not be a heavy burden on each of the countries that are genuinely interested in solving the problem. This will be discussed, among other issues, in New York, at a meeting in connection with the 50th anniversary of the United Nations Organization.

Kuchma gave assurances that the problem of gas deliveries was no longer existent in Ukraine and it was just necessary to establish a procedure for settling gas debts. We have almost settled accounts with Russia and Turkmenistan. Besides, we pin our hopes on assistance on the part of the International Monetary Fund.

Touching upon possible participation of the United States in the process of dividing the Black Sea Fleet, Kuchma said it was a matter of honor for Ukraine and Russia to solve the problem independently at a bilateral level, without seeking assistance from mediators. Difficulties do exist in this sphere, and they are connected primarily with the complicated political situation in our countries, Kuchma stressed. There are quite a few political forces that do not want normal relations between Ukraine and Russia; however, we will solve the problem, Kuchma said during his trip to Dnepropetrovsk.

Marchuk on Benefit of Economic Links With Russia

LD2909215495 Kiev UNIAN in Ukrainian 1845 GMT 29 Sep 95

[FBIS Translated Text] Washington — "The deepening of economic relations with Russia, the deepening of reforms and the development of private ownership could smooth out any political tension," said Ukrainian Prime Minister Yevhen Marchuk in comments on Ukrainian-Russian relations at a meeting with journalists from 'The Washington Post' newspaper on 29 September.

The prime minister stressed that "industrial cooperation between Ukraine and Russia is extremely extensive." He is convinced that this could become a kind of buffer in relations because "the deeper our economic links, the more they can neutralize political tension."

However, in comments on the utterances of some Russian politicians on the acceptance of Ukraine to the Council of Europe, Marchuk stressed that contemptuous statements regarding the "civilized Europe-wide process" evoke concern in Ukraine's people and leaders. "However, we differentiate between Russia's official response and the response of some of its political figures," he emphasized. (At issue are negative comments on Ukraine's entry to the Council of Europe by Russian State Duma representatives Konstantin Zatulin and Sergey Glazyev.)

Replying to the American journalists' questions about what would happen if communists come to power in the Russian elections, the Ukrainian prime minister, while stressing the domestic nature of this matter, did not rule out "some changes in Ukrainian-Russian relations, but 'from the Russian side'".

Article Warns of Tension With Romania Growing

AU2909140695 Kiev HOLOS UKRAYINY in Ukrainian 26 Sep 95 p 6

[Article by Anatoliy Martsynovskyy: "Romania — Ukraine: Relations With a Catch?" — first paragraph published in a box]

[FBIS Translated Text] On many occasions, both in Ukraine and in Romania, speeches of politicians and newspaper publications on Ukrainian-Romanian topics have abounded in mentions of "territorial claims," "disputed territories," attempts on the part of Romania to revise accords," and so on. At the same time, work on preparing the Agreement on Friendship and Cooperation that proceeded with great difficulty has now ceased altogether. That is why the question for Gheorghe Stoica, Romania's temporary charge d'affaires in Ukraine, was quite to the point: "Does Romania have any territorial claims upon Ukraine?"

The Romanian diplomat thought a little and wondered: "I do not know where all these allegations come form.... Our foreign minister and other officials have repeatedly stressed the absence of any territorial claims upon our neighbors, in particular, Ukraine. It seems that either journalists are misinformed or are trying to make sensations out of nothing. We, for our part, proceed from the principles of international law recorded in the Helsinki Act and in the Paris Charter...."

Mr. Stoica's reply reflects Bucharest's official position regarding the "territorial issue." The Ukrainian side also emphasizes that there are no "disputed territories": The Ukrainian-Romanian border is well defined by international and bilateral agreements and is clearly delineated and reliably guarded. "However, there are attempts to make territorial claims upon Ukraine," this is how Volodymyr Vasylenko, envoy for special missions and head of the Ukrainian delegation to the negotiations with Romania, assesses what is going on behind the back of the Romanian Foreign Ministry. What are these "attempts"?

The situation may be best illustrated by the following fresh facts. At the beginning of September, in Strasbourg, at the session of the Council of Europe Parliamentary Assembly, V. Gabrielescu, a popular Romanian senator and a member of the Romanian delegation, spoke against admitting Ukraine to this organization. Two Romanian members of the organization's legal committee supported their colleague in that same Strasbourg. Gabrielescu made his points public on 11 September at a news conference of the leadership of the National Peasant Christian Democratic Party (one of the most influential opposition parties). "In our opinion," he said, "it is necessary to conclude and agreement with Ukraine and remove the consequences of the Ribbentrop-Molotov Pact and return Romanian territories that were annexed by force...." Thus, in Mr. Gabrielescu's opinion, "Ukraine's admission to the Council of Europe needs to be postponed because there exists a territorial dispute between Romania and Ukraine."

Many other Romanian politicians, senators, and newspapers express similar ideas. The campaign has been in progress since July 1991, and it was launched precisely by the Romanian parliament that started it along with adopting a resolution on the condemnation of the Ribbentrop-Molotov Pact. Officials at the Ukrainian Foreign Ministry are inclined to believe that the signing of a fundamental political agreement is being delayed by Romanians as a consequence of this campaign. "In my opinion," says Volodymyr Vasylenko, "those Romanian officials upon whom the signing of the agreement depends have now become hostages to that propaganda campaign unfolded by their parliament. Because the signing of an agreement that validates the existing borders may already be unpopular among a certain part of the political elite and public opinion in Romania...."

Work on the agreement started in February 1995 at Ukraine's initiative. By the time of the visit to Kiev in July 1995 by Marcel Dinu, state secretary at the Foreign Ministry, the document had been 90 percent coordinated. The most important thing was that mutually acceptable formulas regarding territorial issues were found during the visit. Before M. Dinu returned to Bucharest, he promised that the accords would be ratified within a week. Ukraine has been waiting for them ever since. Besides, this confidential information has recently been leaked from the Romanian Foreign Ministry to the Romanian press. There followed belligerent commentaries condemning the accords. Despite the fact that, in the draft document, the sides had undertaken "to mutually respect each other's territorial integrity and endorse, now and in the future, the inviolability of the state borders that exist between them" and that such formulations are in full conformity with the principles of the Helsinki Act.

Quite recently, on 19 September, Marcel Dinu invited Oleksandr Chalyy, Ukrainian Ambassador to Romania, to "officially inform him" that the Romanian government does not support the aforementioned statements by Gabrielescu regarding Ukraine's joining the Council of Europe (a little earlier, this position of the Romanian Government sounded at a Foreign Ministry briefing from the lips of M. Geoana, speaker of the ministry: "The Foreign Ministry's actions are aimed at giving support to Ukraine in its striving to be integrated within the Council of Europe...."). However, at the same time, Marcel Dinu stated that the Romanian side was "not ready" to confirm the July accords. This is precisely what hampers work on the agreement. As concerns deeper reasons for the "stalemate" in the negotiations, they may be explained by the following considerations.

Very popular in the Romanian press is the opinion that it is necessary to wait "until an appropriate historic opportunity arises for resolving the territorial issue." However, one has to be very naive to seriously hope that Ukraine will go and hand over to its neighbors such Ukrainian towns as Khotyn, Kahul, Izmayil, Bilhorod-Dnistrovskyy, Hertsayivskyy Kray, several islands on the Danube, and the Black Sea Island Zmiyinyy with oil and gas fields in its vicinity. International law and also Ukrainian Armed Forces protect Ukraine's right to these territories. Let me recall that the existing border was not drawn based upon the Ribbentrop-Molotov Pact, but on the basis of peaceful agreements signed in Paris in 1947. Both Ukraine and Romania were sides to that agreement. Apart from that, bilateral agreements that were also signed to that effect remain in force. In other words, aspirations of Romanian "patriots" are totally unrealistic and unlawful. Nevertheless, the propaganda campaign is in full swing. It is a kind of "Zhirinovskiy syndrome" among individual Romanian politicians, who are taking advantage of the patriotic sentiments that prevail among a certain part of the population. On top of this, next year, both presidential and parliamentary elections will be held in Romania. Therefore, the price of "territorial" idle talk is going up, whereas the signing of the agreement may have negative political consequences for President Iliescu and other governmental officials. In short, the future of the agreement looks grim during the period of the election campaign.

Incidentally, President Iliescu recently published his "Proposals for the Romanian-Hungarian Historic Reconciliation," in which he appeals "to the political circles in Hungary with a call to accept the status quo that has secured, both historically and legally...." He also calls upon "the democratic leadership in Budapest to draft and sign a political document on a historic reconciliation between Hungary and Romania...." Why doesn't the Romanian political elite proceed from precisely such principles? Incidentally, its "territorial" ambitions are also a brake on Romania's striving to join NATO and the European Community.

One cannot maintain that relations between Ukraine and Romania are completely frozen. There exist 28 bilateral agreements, mainly interdepartmental and in the sphere of education, science, culture, sports, and military matters. However, side by side with these achievements, one senses the invisible chill of political differences. Unless the "patriots" in Bucharest choose to face reality as it is and unless work on the fundamental political agreement is completed, tension in Ukrainian-Romanian relations may grow. Neither side will benefit from this.

National Affairs

President Kuchma Interview in Dnepropetrovsk

LD3009201895 Kiev UT-1 Television Network in Ukrainian 1900 GMT 30 Sep 95

[Interview of President Leonid Kuchma by unidentified correspondent at Dnepropetrovsk subway on 30 September — recorded; no video available]

[FBIS Translated Text] [Correspondent] What are the president's expectations for cooperation with the Supreme Council, which will examine the Ukrainian Government's action program next week?

[Kuchma] I do not expect fruitful cooperation because it was and will remain a political club. I am convinced of this. There is no desire for cooperation there. There is the left, there is the right, and there is the center. (?Most lean towards it.) So all this has to be gone through. But all the same, I expect, above all, that the program will be adopted. I am convinced of this, not because it is the best one, but they will simply adopt it because they have nothing themselves. In the current situation this is the only way, although there are so many issues. I know that well. So let us hope that, notwithstanding the difficult situation and the desire of each deputy to show that he is the very best one, common sense will prevail and we will find a way of moving forward. However, if parliament were structured it would be much better, and we would move toward our goal much faster.

Kuchma Holds News Conference on Reforms

LD2909203595 Kiev UT-1 Television Network in Ukrainian 1900 GMT 29 Sep 95

[News conference by President Leonid Kuchma with unidentified correspondents in Dnepropetrovsk on 29 September — recorded; no video available]

[FBIS Translated Text] [Correspondent] To what extent does what you saw in Dnepropetrovsk today correspond to the course of reforms announced by the president of Ukraine? What impressed you the most today?

[Kuchma] People still believe in our state's future. Well, and what impressed me on the production side? It was our scientific and technological potential.

[Correspondent] All the same, what mechanism do you see for introducing the stabilization, which exists on the macroeconomic level now, directly at the level of every enterprise, every collective in Ukraine in accordance with the new Cabinet of Minister's action program?

[Kuchma] Well, first, it has been envisaged that now every enterprise, together with the regional administrations, has been instructed to review from all points of view, from all aspects, whether it is capable or not of surviving in market conditions and today's situation, whether Ukraine needs it or not, and whether our economy needs it at all. A decision will be made on this basis whether it ought to be supported at the state level or not. The main thing is to support competitive enterprises, although maybe we truly need enterprises such as medical ones. We need baby food after all, although perhaps it is not profitable. So, I am convinced now that by the end of the year we will have a full picture of actions in every region, every town, every district in the state.

Udovenko Says Crimean Separatist Movement 'Subsiding'

LD2909115695 Moscow ITAR-TASS in English 1104 GMT 29 Sep 95

[By Boris Sitnikov]

[FBIS Transcribed Text] UNITED NATIONS, September 29 (Itar-Tass) - "The political situation in the Crimea is now stable and the separatist movement is subsiding," Ukrainian Foreign Minister Hennadiy Udovenko told a press conference here on Thursday.

"British Foreign Secretary Rifkind recently paid an official visit to Kiev. The Ukrainian president was then vacationing in the Crimea and I invited Rifkind to visit the peninsula. This speaks for itself," Udovenko said, when asked about the situation in the Crimea.

"The political situation is now stable, as I have already said, not counting the Black Sea Fleet problem, but this is quite another story," the Ukrainian minister pointed out. "We shall be safe if we manage to resolve the economic problems of the Crimea," he added.

"However, there are problems linked with the accommodation of deported people, mainly the Crimean Tatars," Udovenko stated. "Two hundred and seventy thousand Crimean Tatars have returned to the peninsula during the four years of Ukraine's independence. We have to provide them with housing, schools, and employment. This is a very difficult task considering the economic crisis in our country. We have approached the Russians, who have inherited the Soviet Union's commitments, but they have not contributed a single copeck."

Therefore, a roundtable meeting on the lot of the deported peoples was held in the Crimea. "I addressed a letter to the U.N. High Commissioner for Refugees and the U.N. Secretary-General, asking them to consider the problem of providing employment to those people, among whom there are many teachers, professors, medics and other professions, for whom it is difficult to find employment," Udovenko stated.

Crimean Speaker Meets Ukrainian Parliament Deputies

LD2909210495 Kiev Radio Ukraine World Service in Ukrainian 2000 GMT 29 Sep 95

[FBIS Translated Text] Our meetings ought to be regular ones, said Crimean Supreme Council Chairman Yevhen Suprunyuk, at a meeting of Ukrainian and Crimean Supreme Council deputies on 29 September. Our aims and tasks are common ones, the Crimean Speaker emphasized, namely the adoption of correct joint decisions, which would not be in breach of Ukrainian legislation, but would be to the good of Crimeans. Issues of coordinating joint meetings of Ukrainian and Crimean Supreme Council specialized commissions were discussed at the meeting. An accord was reached that meetings of Ukrainian people's deputies and the Crimean Supreme Council leadership would be held once a month.

Crimean Protestors Blame Kiev for Crisis

LD0110220495 Kiev UNIAR in Ukrainian 1930 GMT 1 Oct 95

[FBIS Translated Text] Sevastopol — About 200 people gathered in Sevastopol in Nakhimov Square for a rally organized by the Sevastopol branch of the "All-Crimean Movement of Electors for the Republic of Crimea." The participants in the meeting blamed "Ukraine's nationalist leadership" for the continuing economic and political crisis in Crimea. They demanded that the Ukrainian leadership abolish "all unlawful decisions that violate the statehood of the Republic of Crimea," and that the Crimean leadership submit the draft new Crimean constitution for national consideration and approve it only in a nationwide Crimean referendum. Demands were also made to lift the moratorium; hold a referendum on the independence of the Republic of Crimea no later than January 1996; ease the system of entry into Sevastopol by citizens of the Republic of Crimea and citizens of CIS member states; and fully restore Russian radio and TV broadcasts in Sevastopol and Crimea.

In addition, they demanded that the fourth session of the Crimean Supreme Council should adopt a resolution protecting the state symbols of the Republic of Crimea and that the Sevastopol City Council should raise the Russian state flag above its administrative buildings.

The participants adopted an appeal to the leadership of the Russian Federation demanding that it take decisive measures to transfer Sevastopol to the jurisdiction of the Russian Federation. They also asked the leadership of the Russian Federation to resolve the issue of paying servicemen of the Black Sea Fleet their wages and pay off the Black Sea Fleet's debt for electricity and water to the city's budget. They are demanding that a temporary representation of the city of Moscow and the Russian State Duma be created in Crimea and that it be based in Sevastopol until "the status of the city of Sevastopol is resolved."

Crimean Speaker: New Constitution 'Not Final'

LD2909184995 Kiev UNIAN in Ukrainian 1530 GMT 29 Sep 95

[FBIS Translated Text] Kiev — "The version of the new Crimean constitution approved by parliament in its first reading is not final," Yevhen Suprunyuk, chairman of the Supreme Council of Crimea, said in an exclusive interview with UNIAN.

He stressed that the Crimean MPs "will have to make concessions during the further consideration of the draft constitution. However, their Ukrainian counterparts should accept our proposals similarly." In assessing the fact that the process of adopting the Crimean constitution is forestalling the adoption of the Ukrainian constitution, the first reading of which will take place only in November, Suprunyuk said he regarded this as an optimum course of events. He said the autonomy's constitution would have to be scrutinized by the Supreme Council of Ukraine following its approval by the Crimean parliament, "because the Crimean constitution will be incorporated into the Ukrainian constitution". Suprunyuk said there would be no all-Crimea referendum on the text of the new Crimean constitution.

The chairman of the Crimean parliament said all members of the Council of Europe at the sitting of the Council of Europe Parliamentary Assembly in Strasbourg had been emphasizing that the peaceful way of developing relations between Ukraine and Crimea and constructive solution to their internal problems were an example for the entire world and for the Council of Europe, in particular, to follow. Suprunyuk expressed the hope that the constitutional process in Crimea and Ukraine should also become an example for all countries.

INTELNEWS Interviews Crimean Prime Minister

WS0210104695 Kiev INTELNEWS in English
0005 GMT 2 Oct 95

[By Oleksandr Pilat, "Special to INTELNEWS"]

[FBIS Transcribed Text] Simferopol, Oct. 1 — Crimean Prime Minister Anatoliy Franchuk is probably viewed by many in Kiev as an advocate of conciliation between the sometimes rebellious government of the Autonomous Republic of Crimea and Ukraine's central government.

A relative of Ukrainian President Leonid Kuchma through marriage, Franchuk arrived over the weekend in Kiev to take place in a Monday Cabinet of Ministers meeting in which he is expected to discuss Crimea's economic and political problems with top officials including the president and Prime Minister Yevhen Marchuk.

Whatever official Kiev may think of Franchuk, he is often, however, the subject of controversy at home in Crimea.

INTELNEWS spoke Thursday with Franchuk, shortly after an extended medical leave/vacation in Truskavets and shortly before his departure for Kiev.

Franchuk, skipping ahead of correspondent questions, began the interview with the following statement:

"Many are interested in why I appeared in my office not on Sept. 20, as I should have, but on Sept. 26. So well. I have been working since Sept. 20. Knowing the complicated situation with fuels and replenishment of the Crimean budget, I visited Kiev, where I had meetings in appropriate ministries. On Sept. 26 in Simferopol, I conducted a conference which discussed three key issues: the process of privatization in the autonomous republic, replenishment of the Crimean budget, and provision of fuels."

[INTELNEWS] What is the situation in Crimea today?

[FRANCHUK] I am still not satisfied with it. Privatization is slow. Not a single auction has been conducted, on which I insisted, and, naturally, will insist further. The Crimean budget has been replenished only at 65 percent. Here, we cannot do without help from Ukraine. In addition, we have a 25 percent electric power deficit. Agricultural enterprises, mainly collective and state farms, have a large debt.

The majority of industrial enterprises, however, have settled up. And those who have failed to settle up have stopped their work. This is also not normal, because, in the first place, products are not produced. And, in the second place, the people have been left without jobs. We should urgently find a way out of the situation.

[INTELNEWS] Have you heard about the negative publications in the press concerning you?

[FRANCHUK] As a matter of fact, this is, in general, the Kievskie Vedomosti newspaper. I would like to say that all this is on the conscience of the journalists, but I entirely reject all the negatives concerning me, and consider it, mildly speaking, libel.

[INTELNEWS] Do you have intend to file suit?

[FRANCHUK] Perhaps, no. Life itself will dot the i's.

[INTELNEWS] Rumors are circulating that you are to be appointed an ambassador to some country...

[FRANCHUK] I have not received such a proposal. In addition, notwithstanding the fact that I am already 60, I feel myself able and am willing to work on this job, because I feel that I am able to do something, if not much, for the welfare of the Crimean people.

Shmarov Views Neutralized Missiles at Khmelnitskiy Base

LD2909223795 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 29 Sep 95

[Correspondent Natalya Kondratyuk video report from Khmelnitskiy; from the "Novosti" newscast]

[FBIS Translated Text] These transportation containers hold missiles, which are due to be neutralized under the disarmament treaty. However, the missiles are still live. Just as these 10 SS-19 class missiles are live. They are due to be neutralized next year. [Video shows missile containers; Ukrainian defense minister viewing missiles]

Here in Khmelnitskiy, four missile complexes have been taken off alert duty and four missiles neutralized since Ukraine acceded to the START-I Treaty. Ukrainian Defense Minister Valeriy Shmarov noted that disarmament is proceeding to schedule, and Ukraine is fulfilling its commitments. The total number of neutralized missiles now stands at 80.

The United states has promised to help with disarmament. The most tangible result to date of outside help in the difficult disarmament process is this apartment block, which was constructed for the missile troops with the help of U.S. Government funds. Other specialized help is slow in coming. Despite Ukraine's desire to speed up the process, it is hardly possible. The military are not prepared to handle the project at a fast pace.

Valeriy Shmarov acquainted himself here with the progress of disarmament, and was satisfied. There are no major problems.

The defense minister asked that this plum tree branch, that was broken off inside the territory of the missile and engineering base, be handed over to Green movement supporters as proof of the fact that missiles dismantled into sections are no more formidable than broken toys.

Economic Issues

Durdynets Discusses Crime in Banking Sector

WS0210083095 Kiev IMENEM ZAKONU in Ukrainian 22 Sep 95 p 3

[Speech by Vasyl Vasylovych Durdynets, deputy prime minister for issues of state security and emergency situations and chairman of the Coordinating Committee for Combating Corruption and Organized Crime under the Ukrainian president, in Kiev at the second international scientific conference "Battle Against Organized Crime in the Financial-Credit and Banking Systems"; date not given: "Taming of the Fifth Authority — a Nationwide Task"]

[FBIS Translated Text] *As everyone can see, it has become a good tradition to hold international scientific-practical conferences in Ukraine on the most urgent issues concerning the battle against crime.*

At the initiative of the Ukrainian Ministry of Internal Affairs, and with the help of the U.S. Association of Policemen of Ukrainian Origin and the U.S. "Thoughts About Faith" mission, the conference "The Strategy and Experience in the Battle With Organized Crime" was successfully held this year. Its recommendations provided a stimulus to search for untraditional approaches to the battle with the criminal world. The ideas voiced at that conference were embodied in Ukraine by both legislative and other normative acts and the state's practical measures for improving law enforcement actions and increasing the efficiency of the internal affairs agencies.

The topic of today's conversation is the battle against organized crime in the financial-credit and banking sectors. This topic is extremely urgent for us, and this raises both the scientific and practical importance of this conference, since it expands the possibilities of using the international experience in this matter.

In Ukraine, the intensification of the battle against crime is considered to be a nationwide task, a matter of a great political importance.

The legal protection of the individual, strengthening of law and order, and overcoming of the criminalization of the economy and administration are important components of social reforms and the process of state-building.

Taking into account the difficult crime-breeding situation in Ukraine and a considerable increase in crime, particularly in the economic area, and with the aim of conducting an efficient and complex battle with these negative phenomena, on 25 June 1993 the Ukrainian Supreme Council approved an emergency state program for combating crime, which was the first document in our state's history that included important organizational and practical measures, as well as specific tasks for state agencies, scientific institutions, company staffs, and public organizations, aimed at countering crime.

Moreover, the primary attention was paid in this program to the establishment of a nationwide front against illegal phenomena, based on creating an atmosphere of intolerance toward them and coordinating social and special measures, with the dominant role of the former. The Ukrainian Law "On Organizational and Legal Foundation of the Battle Against Organized Crime" became an important state act.

A year ago, by virtue of Ukrainian President Leonid Danylovych Kuchma's edict "On Urgent Measures for Intensifying the Battle Against Crime," this problem began to be practically resolved. I will recall that this was the first edict issued by the Ukrainian president after his introduction in the office.

It was augmented by important coordinated practical measures, regrouping forces in strategically important areas of the battle for cleansing the authorities and society. This February, the president approved special programs for preventing crime in the economy and creating the required legislative, information-analytical, and scientific basis for the battle against crime in the period of 1995-1996. We have a clear-cut plan of action until the end of this year, which was adopted at the 3 August joint meeting of the National Security Council and the Coordinating Committee.

A range of mutually connected measures of legal, economic, social, and political nature, aimed at overcoming the criminalization of vital areas of the state's functioning, was included in the Ukrainian Government's action plan submitted for the Supreme Council for consideration as its organic component.

In accordance with the constitutional agreement between the Ukrainian Supreme Council and the Ukrainian president, the government, within its powers, will even further step up efforts aimed at protecting citizens' rights and freedoms, law and order, combating crimes, and defending property rights.

The protection of the individual and the state's interests, and the recovery of the economy and its coming out of the "shadow zone" are the priorities in this area.

The Coordinating Committee for Combating Corruption and Organized Crime under the Ukrainian president is assuming increasingly more responsibilities for uniting the efforts of state agencies and coordinating their actions aimed at taming the "fifth authority."

The following are its primary tasks:

— to coordinate and facilitate actions by state agencies, which have been charged with the battle against crime and its organized forms by virtue of Ukrainian laws;
— to develop a nationwide strategy and recommendations concerning tactics in the battle with corruption and other forms of organized crime, and draw conclusions to be used in drafts of Ukrainian laws, Ukrainian presidential edicts, Ukrainian Cabinet of Ministers resolutions, and other normative-legal acts on the issues concerning the battle against crime;
— to thoroughly assess the crime-breeding situation in Ukraine, reveal its trends, set priorities in the battle against organized forms of crime, and prepare measures for preventing and neutralizing crimes;
— to prepare proposals to prevent the establishment of corrupt ties with state officials and their involvement in illegal activities;
— to establish cooperation with foreign countries' agencies and international organizations in the battle against organized crime.

The deterioration of the crime-breeding situation and increase in crime are undoubtedly the results of the general crisis and the difficulties of the transitional period. At the same time, they have a reciprocal effect, having become one of the main factors slowing down economic and social reforms. Economic difficulties have tangibly reduced the state's capabilities, and have made it reduce expenditures on the battle against crime.

Even under these circumstances, however, much has been done.

At the initiative of the Coordinating Committee and in accordance with the president's instructions, we have taken a great number of organizational and other measures for returning hard currency to Ukraine. However, this is just the beginning of the work that will be carried out by the government and the National Bank in a more coordinated manner. Great attention is being paid to removing objective and subjective reasons behind the flight of hard currency abroad.

We are providing the required legal protection for the most important economic programs. This has made it possible to avoid contracts causing losses to our state and prevent the implementation of proposals by foreign financial groups and firms to grant Ukraine large credits under the government's guarantee, some of which were of a deceitful nature.

A governmental commission has thoroughly examined the use of 72 trillion karbovantsi [K] earmarked by the state for purchases of grain and sugar in 1994.

During the first half of 1995, Prosecutor's Office agencies detected 51,000 violations by officials, including almost 16,000 violations in the economy (every third).

As a result of the work of the Prosecutor's Office, almost K8 trillion and over $8 million was returned to the state, and an additional K37.5 trillion was returned voluntarily.

The Prosecutor's Office agencies are currently conducting 2,012 criminal cases concerning crimes committed in the economic area, in banking and financial institutions.

Over 3,000 banks and their branches are currently operating in Ukraine, which have opened more than 200,000 accounts for commercial organizations. The development of a network of commercial banks, which conduct a great number of financial operations concerning transfers of considerable amounts of money among state-run and commercial organizations both within the country and abroad, has raised the issue of simplifying payments by introducing computer technologies and other technical means in the banking system. A new system of electronic payments among banks was introduced in January 1994 to improve banking and financial operations.

The process of establishing a financial-credit system in Ukraine, however, is proceeding with quite substantial difficulties.

The relative deficiency of the legislative and departmental normative basis for banking operations, the lack of highly qualified specialists in methods of organizing work in banks in the market economy, and imperfect banking technologies have created favorable conditions for conducting illegal operations involving huge amounts of money; unfounded granting of credits; creating, "laundering," and use of fictitious money; and transferring large amounts of money abroad.

Statistics confirm that crime in the financial-credit and banking systems is increasing. While 956 crimes aimed at profit, which caused damage amounting to K434 billion and $498,000, were detected last year, during the first six months of this year alone, as many as 835 such crimes were committed. The material damage exceeded K984 billion and $4.4 million.

An analysis of available information reveals that organized crime is becoming more persistent, and is attempting to penetrate the area of financial-credit relations in a more impudent way, in an effort to expand its influence on key economic areas. Unfortunately, it often succeeds in doing so.

Granting of credits is a very important function of banks. During the first six months of this year, Ukrainian commercial banks received credits worth K220 trillion, including short-term credits amounting to K195 trillion and long-term credits worth K24 trillion.

Therefore, short-term loans still hold the main place among credit operations, and their share in the total volume of loans is 89 percent.

The state production sector received credits amounting to almost K122 trillion, and the nonstate sector — to nearly K98 trillion, which represents 55 and 45 percent respectively. The debts for credits grew 2.4-fold compared with the corresponding period last year.

To implement the 21 July 1994 Ukrainian presidential edict and the decision by the Coordinating Committee for Combating Corruption and Organized Crime under the Ukrainian president, we, along with the National Bank and the Main State Taxation Inspectorate, have inspected 2,[illegible] banks. We have revealed almost 2,000 violations concerning granting of credits, of which over K10 trillion has not been repaid.

The inspections revealed that most of the unpaid credits were often unfoundedly granted to commercial organizations with suspicious reputations. Agreements on granting credits on security concluded between banks and customers are often formal, or even fictitious. As a result, credits are used not according to their purpose, but, as a rule, to repay previously received credits and interest, conduct illegal hard currency operations, or defraud credits to improve one's own material situation.

The main types of crimes in this area are thefts of money, accepting bribes by bank officials in exchange for credits or their prolongation and lowering interest rates, frauds concerning financial resources, and tax evasion.

The losses Ukraine has suffered as a result of crimes in the financial-credit system are counted in trillions of karbovantsi.

The expansion of the area of financial and economic activities (including foreign economic activities) has made it easier to establish international contacts not only for law-abiding people, but also criminal groups. At the same time, the level of cooperation among law enforcement agencies from different countries, in terms of organization and procedures, makes it difficult to collect even the initial evidence required to press criminal charges.

Most often it is virtually impossible to examine and investigate faked contracts. So, while it is not a great problem to commit an international crime in the financial-credit system, the collection of evidence encounters obstacles already at its initial stage.

We are also concerned over the situation in non-banking structures, particularly in trust, insurance, and investment companies, which deposit substantial amounts of money belonging to the population and commercial organizations, promising them high dividends. As a matter of fact, however, they take advantage of people's trust, and appropriate their savings in a deceitful way.

A considerable number of trust companies, as inspections revealed, were operating with gross violations of their statutes, accounting, and rules of hard currency operations. The deficiency of the current legislation permitting the deposit of citizens' money, including hard currency, the fact that the authorized capital of trust companies was set at as little as K1 million, and the lack of an efficient mechanism for issuing licenses and overseeing the operations of trust companies by the National Bank of Ukraine and the Ukrainian Ministry of Finances contributed to this.

Hundreds of thousands of citizens have suffered from deceitful actions by officials. A governmental commission and regional commissions are currently thoroughly clarifying how this could happen. We must find those guilty, make sure that they are punished, and return the money to the deceived people.

Eighty-seven criminal cases have already been opened, 25 people involved in deceiving people have been arrested, and arrest warrants have been issued for 24 people.

The fast criminalization of the financial-credit and banking systems, which has currently become dangerous, requires decisive actions by the Ukrainian Government and relevant ministries and state institutions.

To prevent the development and expansion of the aforementioned processes, we are going to:

first, coordinate the implementation of a range of mutually connected organizational, legal, socioeconomic, supervisory, and personnel measures for countering symptoms of corruption, abuse of office, and criminalization of the economy and society as a whole (over K213 trillion uncontrolled by the National Bank of Ukraine is currently circulating in illegal business);

second, improve and implement efficient control over the observance of law and financial discipline in all areas of the economy and administration, primarily in the areas of banking operations, foreign economic activities, payments for imported energy sources, exports of metal products, mineral fertilizers, agricultural products; and prevent loss-making contracts, particularly barter deals;

third, ensure the implementation of state policy in the financial area and the efficient work of state taxation inspectorates, control and audit services; improve accounting; and introduce mechanisms for supervising proper use of state loans, business, hard currency regulation, and circulation of hard currency during export and import operations.

I would not like anyone to get the impression that we are developing a frontal attack against financial-credit and banking institutions or commercial organizations in general. Just the opposite, we believe that the uprooting of crime in the financial-credit and banking system, as well as in the economy as a whole, should be accompanied by assistance for and protection of decent business and honest entrepreneurship. This can also be confirmed by the government's action plan submitted to the Ukrainian Supreme Council. To get in the criminals' way means to save the market economy from being discredited.

Of course, it was not my goal to address or even touch upon all issues connected with this topic. This is the goal of our entire conference.

We expect that the opinions presented to the participants in the conference will be used in both drafting of laws and practical work. We will carefully study documents of this conference, and will do everything possible to implement your proposals.

Bank Official on Postponement of Monetary Reform

LD2909195295 Kiev UNIAN in Ukrainian
1530 GMT 29 Sep 95

[FBIS Translated Text] Kiev — The postponement of the monetary reform is, first and foremost, due to uncertainty as regards the numerical parameters of the financial and monetary policy to be carried out following the introduction of the hryvna, Viktor Lysytskyy, an adviser to the chairman of the board of the National Bank of Ukraine, has told UNIAN.

He said the government's program envisions an average monthly inflation in 1996 at the level of 1.5 percent and the budget deficit in relation to the gross domestic product at the level of 6 percent. According to Lysytskyy, "it would be very difficult to keep inflation at the level of 1.5 percent" with such a budget deficit.

In the opinion of the adviser, to achieve these parameters, it will be necessary to mobilize 200 to 300 trillion karbovantsi in 1996 through the sale of securities. Lysytskyy said that as little as 16 trillion karbovantsi were mobilized in the eight months of 1995.

The adviser said that the final deadline for carrying out the monetary reform in Ukraine could be set after the 1996 budget was approved. He believes that the reform will take place "in several months at most."

Lysytskyy said confiscatory reform was out of the question, because it would produce no economic effect.

IMF Grants Third Tranche of Credit Worth $350 Million

LD3009183695 Moscow INTERFAX in English
1724 GMT 30 Sep 95

[FBIS Transcribed Text] KIEV, Sept 30 (Interfax - Ukraine) — The IMF board of directors decided to extend to Ukraine the third tranche of the stand-by credit worth $350 million, Ukrainian Prime Minister Yevheniy Marchuk told a press conference in Kiev today on his return from a working trip to the U.S.

The IMF decided to extend to Ukraine a stand-by credit worth about $1.5 billion in April 1995. The credit was given to Ukraine for financial stabilization and payment for the "critically important" imports, including Russian and Turkmen gas supplies. The credit was broken down into several tranches. Ukraine has already received $410 million by September.

Earlier (on September 29), IMF Managing Director Michel Camdessus told reporters in Washington that during this meeting with the Ukrainian prime minister he "received from the Ukrainian delegation all necessary confirmations concerning the government's intention to continue the economic reforms." Camdessus said that thus all possible obstacles to the extension of the credit's third tranche had been removed.

Marchuk told reporters in Kiev that during a meeting with the leaders of the Republican majority in the U.S. Congress, the Ukrainian delegation had been promised that financial assistance to Ukraine would be continued. The U.S. Congressmen said assistance to Ukraine in the next fiscal year "is unlikely to be cut back contrary to assistance to other CIS countries."

The Ukrainian government decided to abolish export quotas for grain after the meeting with IMF representatives. He said the government also planned to consider the possibility of abolishing the obligation to sell currency revenues.

Marchuk said Ukraine and the IMF had also signed agreements concerning two credits for upgrading the country's hydroelectric power system and developing agriculture.

The Ukrainian prime minister is expected to introduce the government's program of action to the parliament on October 3.

Marchuk said he hoped that the government's program would be approved. "I have enough arguments in its favor and nobody is likely to manage to neutralize these arguments," he said.

Marchuk said that during the meetings in the U.S. the Ukrainian delegation had stated its position concerning the development of the state's regulating role in the economic reforms. He said the state would contribute to the acceleration of privatization, limit unfair competition and regulate foreign trade.

Belarus

Minsk Resumes Conventional Arms Reduction Program

LD2909171695 Moscow ITAR-TASS in English 1357 GMT 29 Sep 95

[By Larisa Lazar]

[FBIS Transcribed Text] MINSK, September 29 (Belinform) - Belarus is resuming its programme for distruction of conventional arms with which it was left by the break-up of the USSR, Belarusian President Alyaksandr Lukashenka said at his meeting with a delegation of U.S. businessmen.

The programme has been stalling because of shortness of Belarus's funds and suspension of financial assistance which Western states promised it earlier.

Lukashenka stressed that Belarus sticks to its commitments under the European conventional arms treaty.

With the Western assistance to this expensive programme failing to come from the U.S., Germany and other states, Belarus restarts the programme at its own.

"And this happens despite the fact the republic spends almost 25 per cent of its national budget on liquidation of the Chernobyl disaster, of which the Belarusian people found itself an unvoluntary hostage," Lukashenka said.

Financial Aid Sought To Comply With CFE Treaty

MM2909140895 Moscow RABOCHAYA TRIBUNA in Russian 29 Sep 95 p 3

[Report by Larisa Lazar: "Money Also Required for Disarmament. Considerable Sums at That" — from the "Commonwealth" section]

[FBIS Translated Text] Minsk — The third phase of cuts in the arms and hardware subject to limitation under the CFE Treaty comes to an end in Belarus 17 November. In accordance with its pledges, by this date the republic should have cut the number of aircraft, tanks, and armored fighting vehicles to 260, 1,800, and 2,600 respectively.

In the three years since the CFE Treaty was signed Belarus has been able to implement these accords around 70 percent. However, a slight pause can be discerned in the disarmament process being actively pursued by the state due to the suspension of cuts in conventional arms. There is an extremely mundane reason for this — lack of funds. It was this detail that President Alyaksandr Lukashenka has repeatedly stressed in his speeches, denying any underlying political reasons for this problem.

At a recent news conference Foreign Minister Uladzimir Syanko said: "We consider the CFE Treaty one of the most important foundations of the European security system and with the help of its Western partners the republic intends in the near future to resume conventional arms destruction." The head of the republic's foreign policy department thinks that since "this treaty was signed in the time of the Soviet Union, and Belarus was not responsible for the stockpiling of this quantity of weapons on its territory, the republic is entitled to count on financial aid." Therefore the question of whether Belarus will be able to carry out one of the terms of the Treaty by the above date depends on the world community's stance. Your RABOCHAYA TRIBUNA correspondent learned from confidential sources that the country's government is insistently seeking solutions to the unprecedented situation.

Group for Cooperation With Council of Europe Formed

WS2909144895 Minsk Radio Minsk Network in Belarusian 1300 GMT 29 Sep 95

[FBIS Translated Text] The first session of the Belarusian Interdepartmental Council for Cooperation With the Council of Europe has been held, chaired by Council Head Rusakevich. The establishment of the interdepartmental council is a component of Belarus' national strategy aimed at joining that influential international body. The council is comprised of leading ministerial officials, as well as employees of other administrative bodies of the state. The council determined its principal goal as coordination of cooperation activities with the Council of Europe within the framework of the state. The participants in the session approved the plan which envisages measures to prepare Belarus for admission to the Council of Europe as a full-fledged member, and proposals which should be included in the 1996 program of cooperation with the Council of Europe. Aside of that, the session approved the makeup of working groups in specific fields of cooperation with the body. Interdepartmenatl Council head Rusakevich emphasized again that preparations for Belarus' admission into the Council of Europe should remain a priority direction of the government's activities. It was decided that the council would be convened for sessions every month.

Lukashenka Decree Reforms Local Government

LD2909204695 Minsk Radio Minsk Network in Belarusian 1700 GMT 29 Sep 95

[FBIS Translated Text] President of Belarus Alyaksandr Lukashenka has signed a decree on reforming local government and self-government bodies. The decree envisages abolishing district soviets of deputies and their bodies and establishing local administrations on the territory of districts. These administrations will be successors to the executive committees of district soviets of deputies. Liquidation commissions have been set up to deal with the reforming of the old structures.

The president Belarus has confirmed a provisional instruction on local administrations. This instruction outlines the procedure of setting up local administrations, their functions and relations with higher administrative and executive bodies. In accordance with his instruction local administrations will be responsible on within their territory for the implementation of the Belarusian constitution and laws, decrees and instructions of the president of the Republic of Belarus, decisions of higher administrative and executive bodies and decisions of local soviets of deputies.

Moldova

14th Army Commander on Arrests of Moldovan Policemen

LD3009153295 Moscow Mayak Radio Network in Russian 1336 GMT 30 Sep 95

[FBIS Translated Text] Recently the media have been reporting about increased tensions in relations between Chisinau and Tiraspol over the arrest of two Moldovan policemen in the Dniester region. In particular, the Moldovan side has come out with accusations against the command of the operational group of Russian troops in the Dniester region, which, in its opinion, is interfering in the internal affairs of the country in which they are staying.

Our special correspondent Yuriy Selivanov met with General Valeriy Yevnevich, commander of the group of Russian troops, who explained the situation:

[Begin recording] [Yevnevich] This is linked with incompetence on the part of a number of officials among the leadership, and especially the media. I believe that they are inventing facts with a definite purpose. At a news conference on 20 September 1995 on the television program "Messenger" the announcer read a report that the Moldovan Interior Ministry had arrested police officers of the Republic of Moldova - Senior Lieutenant Landyrev and Junior Lieutenant Josan. The arrest was carried out, according to the procuracy of the Dniester-Moldovan Republic, on the instructions of the general military procuracy, represented in Tiraspol by Captain Anferov, the procuracy's senior investigator, and the leadership of the armed forces. But this is a fabrication and a falsification. The fact is Josan and Landyrev were servicemen of the 14th Army in the operational group of Russian troops. By an order of mine they were discharged on 25 August, 1995, and removed from the list on 28 August.

[Selivanov] For what reason were they discharged?

[Yevnevich] They were discharged because they refused to accept Russian citizenship - only Russian citizens are permitted to serve in the Russian Army - and because they wanted to serve where it suited them and not where they didn't want to go. Well, I have a question to Mr. Prudnikov, commissar of police of the Republic of Moldova in Bendery: On what basis were servicemen of the 14th Army accepted for service in the police of the Republic of Moldova on 29 March 1995 for the office of senior investigator and criminal investigator of police of the Republic of Moldova?

[Selivanov] Did I understand you correctly that these two men were serving in the Russian Army and the Moldovan police at the same time?

[Yevnevich] Yes, you did. For over four months the Moldovan policemen served in the ranks of the armed forces of the Russian Federation. I believe that these were premeditated actions by commissar Prudnikov aimed at disrupting, at destabilizing the situation, and disrupting the efforts of the Moldovan leadership to resolve the Dniester conflict by peaceful means. This was a carefully planned provocation, which was also aimed at discrediting the armed forces.

[Selivanov] But what was the reason for the arrest of these two people?

[Yevnevich] Landyrev and Josan were arrested for a crime which they committed during their period of service in the Dniester criminal investigation department in the city of Tiraspol in 1993- 94. [end recording]

General Says Russians in Moldova Will Not Back Lebed

LD2909204195 Moscow ITAR-TASS in English 1812 GMT 29 Sep 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, September 29 (Itar-Tass) - "The Russian community in Moldova on the right-hand bank of the Dniester will vote for 'Our Home is Russia' bloc, the Dniester region will prefer the party of communists, but neither of them are willing to vote for Aleksandr Lebed and his supporters," Lieutenant-General Valeriy Yevnevich, commander of the Russian contingent in the Dniester region, told Itar-Tass by telephone today.

"The Russians living in Kishinev prefer Viktor Chernomyrdin whose name is linked with gas supplies vitally important for the republic. The population of Tiraspol and Rybnits gives preference to communist leader Gennadiy Zyuganov. As for the former commander of the 14th army general Lebed, he might only count on support of the women who had recently blockaded a military airport not to be separated from the man they adored," Yevnevich said.

The general believes that after the last cache of post-war mines and shells belonging to the former 14th army is eliminated political speculations about allegedly possible theft of the weapons will end as well. Yevnevich believes that against such a background "Lebed's messengers will hardly be able to mount tension in the Dniester region and win over Russian voters to their side."

Russian Envoy on Ties With Chisinau, Dniester

AU0110142995 Chisinau BASAPRESS in English 1930 GMT 28 Sep 95

[FBIS Transcribed Text] Chisinau 28/09/1995 (BASApress) — Although the situation of Russians in Moldova is much better than in other CIS countries, this does not spare them the troubles, Aleksandr Papkin, Russian ambassador in Chisinau said in an interview with the newspaper RUSSKOYE SLOVO published by the Russian Culture Center in Moldova. Papkin stated that fewer Russians emigrate from Moldova than from other ex-Soviet countries. He believes that "a serious reason for leaving many CIS countries is the limited use of Russian language, and in general language discrimination." The diplomat said that currently over 25,000 Russian citizens live in Moldova. "A convention on human rights, adjusted both to the generally accepted values and the peculiarities of the Community, should be concluded within CIS," Papkin suggested.

As for the Dniester conflict, he regards it as "an internal problem of the Republic of Moldova" in which "just Chisinau and Tiraspol should reach an agreement on mutual relations. We are no more than mediators and will surely agree to any variant of status drafted and accepted by both sides," Papkin added. According to him, Russia is ready to open a general Russian consulate in Tiraspol as soon as Moldova agrees to this. Moscow might get harder on Moldova in the question of natural gas supply, if some Russian forces insist, but, in spite of the debts, the fuel supply will not be stopped because "Moldova is a friend" and there "live thousands of fellow countrymen of ours."

To date, Moldova has concluded over 70 agreements with Russia. As Ambassador Papkin believes the "fact that during 5 years we were not able to ratify one of the fundamental bilateral acts — the Treaty on Interstate Relations between Russia and Moldova, while Chisinau did it very soon is abnormal." Asked whether any changes in the Chisinau leadership might influence relations, the Russian diplomat said that "if Moldova changes its policy toward Russia, the reaction will be adequate."

Parliament Discusses Developments in Dniester Talks

AU0210091695 Chisinau BASAPRESS in English 1930 GMT 29 Sep 95

[FBIS Transcribed Text] Chisinau 29/09/1995 (BASApress) — Moldovan Parliament considered today its role in the Dniester conflict solution. It came to the decision to publish the project of the Dniester special status drafted by Chisinau experts. The head of parliamentary commission on eastern districts special status, deputy Nicolae Andronic, who presented the report on the course of talks with Tiraspol, said that the Chisinau option must be brought to the internal and world public opinion, as well as the acts advanced by the Dniester side. Andronic said that Chisinau officials have accepted reasonable concessions, including the right to create an autonomous republic within Moldova, and will accept no more compromises.

The non-ratification of the Agreement on 14th Russian Army Withdrawal and Smirnov's request to recognize Dniester made in the Russian Duma, stand for the existence of some geopolitical interests which impede the negotiations. The head of the parliamentary commission reproached some political formations with venturing to give promises to the Dniester party during the unofficial negotiations and thus affecting the course of official talks. Andronic rejected the proposal of the socialist representative Valentin Krylov to resume the negotiations with the participation of the Dniester Supreme Soviet messengers, for the reason that the Tiraspol members of Parliament are non-conciliatory, which was proved at the previous rounds of talks.

Asked by another socialist representative whether the adoption of the Dniester special status is delayed because Chisinau officials do not want conciliation to happen prior to the presidential elections, Andronic denied such suppositions.

Speaker Lucinschi said no lack of interest in a positive evolution of negotiations was noticed. Socialist Aurel Cepoi implied that a possible public inquest into the circumstances under which the 1992 armed conflict started would encourage Tiraspol to accept Chisinau's options. Deputy Vasile Nedelciuc, United Democratic Congress representative, declared that in order to settle the Dniester problem international organizations should be called upon to suggest Russia to come with an efficient contribution. According to Nedelciuc, the disarmament of the Chechen paramilitary formations and the preparations for democratic elections are some of the solutions Moldova should follow.

Gagauz Governor Visits Turkey, Discusses Loan

AU0210094295 Chisinau BASAPRESS in English 1930 GMT 29 Sep 95

[FBIS Transcribed Text] Chisinau 29/09/1995 (BASApress) — Turkey continues granting Moldova economic assistance, Turkish President Suleyman Demirel said at the meeting with Gagauz Bashkan Georgiy Tabunshchik currently visiting Ankara.

According to an official press release, the Turkish loan of $35 million was discussed at the meeting. The loan is for the construction of a water supply system in the south.

Earlier, Comrat administration sources told BASA that Governor Tabunshchik intended to establish direct relations with Turkish businessmen and examine possibilities for Turkish investments to solve the economic and socio-cultural problems of the south, especially infrastructure development, water supply and enterprise endowment.

Foreign Ministry sources report that the delegation also comprises other Gagauz officials. During his visit, Tabunshchik will meet the minister of economics and trade, Turkish Foreign Policy Department representatives, businessmen. This is the second work visit made by Tabunshchik abroad as Gagauz governor. His first visit was to Moscow.

Kazakhstan

Toqayev Suggests Creation of UN Central Asia Contingent

LD2909221195 Moscow ITAR-TASS in English 2158 GMT 29 Sep 95

[By Boris Sitnikov]

[FBIS Transcribed Text] UNITED NATIONS, September 30 (Itar-Tass) - Kazakh Foreign Minister Qasmyzhomart Toqayev has put forward an initiative at the 50th session of the UN General assembly, suggesting to create under the UN auspices an armed contingent of three Central Asian republics, including Kazakhstan, Kyrgyzstan and Uzbekistan,

"In our opinion, this would promote security in Central Asia - a region notorious by the presence of hotbeds of tension," the Kazakh minister said.

Kazakhstan also suggested establishing a UN commission for Central Asia for purposes of joint solution of problems of peace and development.

President Nazarbayev Issues Decree on Elections

LD2909181595 Moscow ITAR-TASS in English 1531 GMT 29 Sep 95

[FBIS Transcribed Text] ALMTY, September 29 (Itar-Tass) — Kazakhstan President Nursultan Nazarbayev issued a decree "on the election in the Republic of Kazakhstan" having the force of constitutional law to implement provisions of the new Constitution on the election of head of state, deputies of parliament and of deputies assemblies at various level and members of local self-government. The Kaztag news agency on Friday [29 September] referred this document for the publication in the local press.

Elections of president, deputies of the lower house of parliament, deputies' assemblies and members of local self-government are conducted, under the decree, on a basis of universal, equal and direct sufferage with secret ballot, while the elections of deputies of the Senate, the upper house of parliament, are conducted on a basis of indirect suffrage with secret ballot.

All citizens who reached the age of 18, except for those who were found by the court to be incapable and are kept in places of detention by court decision, have a right to participate in the election on a voluntary basis. Elections are regarded valid if over 50 per cent of voters, or electors for deputies of the Senate, took part. The same principle applies to votes for candidates running in the first round. In the second round, they are elected on the strength of the majority of earned votes.

Tajikistan

Government Statement on Death of Two Russian Servicemen

LD3009124395 Dushanbe Radio Tajikistan Network in Tajik 1700 GMT 29 Sep 95

[FBIS Translated Text] On 29 September, the Information Department of the Ministry of Foreign Affairs of the Republic of Tajikistan announced in our country that the Ministry of Foreign Affairs of the Republic of Tajikistan had sent a note to the UN observers' group, details of which reads as follows:

At about 2000 on 28 September, in one of the districts of Dushanbe, unknown armed terrorists fired on military servicemen of the Russian Federation Armed Forces who were serving with the 201st Motor Rifle Division of the Commonwealth of Independent States peacekeeping forces in Tajikistan. As a result of this despicable act of terrorism, Warrant Officer Aleksey Blitskiy and professional soldier Andrey Shapov were hit and died on the spot from their wounds. Professional service Lance-Corporal (Aleksandr Vorontsov) and professional soldier (Sergey Dorokhov) received serious bullet wounds and were taken to one of the military hospitals in Dushanbe. The competent bodies of Tajikistan have instituted a criminal case regarding this crime and are investigating the dossier.

The ministry considers it necessary to say that a Tajik opposition armed group acting in Dushanbe and in its surroundings is also among suspects being investigated by the law-enforcement bodies of Tajikistan, having been linked to this tragic event.

It may not be far from reality that this act of terrorism occurred on the eve of the decisive round of regular inter-Tajik negotiations with the aim of frustrating the process of preparing for the negotiations.

Concerning the above event, the Ministry of Foreign Affairs of Tajikistan has asked the UN observers' group to investigate the aforementioned terrorist act involving the Russian servicemen as a breach of the temporary cease-fire agreement — signed on 17 September 1994 in Tehran by the Tajik sides — and to investigate other acts of hostility on the Tajik-Afghan border and in the country.

Russian Ambassador Sends Note on Crimes Against Troops

LD3009175195 Moscow ITAR-TASS in English 1732 GMT 30 Sep 95

[By Galina Gridneva]

[FBIS Transcribed Text] DUSHANBE, September 30 (Itar-Tass) — The Russian Embassy in Tajikistan expressed serious concern about the continuing wave of grave crimes against Russian troops stationed in this Central Asian republic.

The Russian ambassador sent a note to the Tajik Foreign Ministry on Saturday, stressing that the reason for this move was the unprovoked assassination by unidentified persons of two Russian soldiers who served in the 210st Russian Motorised Infantry Division on a contract basis. The soldiers were murdered in one of the residential areas of Dushanbe on September 28 and two more were injured.

Unfortunately, the note said, terrorist acts against Russian troops are assuming a systematic character. More than 30 soldiers and officers were killed in Tajikistan over the last two years. At the same time, none of the murders has been solved so far.

In this connection, the Russian Embassy expressed the hope and confidence that the Tajik government will take all possible measures to timely solve such crimes and ensure the security of Russian troops.

The command of the Russian troops in Tajikistan is preparing a statement to the Tajik government in connection with a series of terrorist acts against Russian servicemen.

Azerbaijan

President Aliyev Receives OSCE Minsk Group

NC2909193095 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 29 Sep 95

[FBIS Translated Text] Azerbaijan will comply with the cease- fire agreement pending the signing of the peace agreement. Much depends on the co-chairmen of the Minsk Group in the solution of the Nagorno-Karabakh conflict. These views were expressed by the Azerbaijani President Geydar Aliyev while receiving the OSCE Minsk Group delegation.

[Begin recording] [reporter Seyyad Agbabali] By stating at the outset of the talks that I will be saying here what I already repeated several days ago during our conversation, our head of state defined the parameters of the meeting. And, in stressing the need to enter into the essence of the talks right away, he indicated his expectation for concrete proposals from the delegation. He said that Azerbaijan favors a peaceful and negotiated solution to the conflict, and that our country will abide by the cease-fire agreement pending the signing of the Major Peace Agreement.

In reiterating our republic's principled position, President Geydar Aliyev said that Azerbaijan's demand is in conformity with international law and aims to ensure our country's territorial integrity. He pointed out that the issue of the security of the Armenian community of Nagorno-Karabakh will be placed on the agenda at an appropriate stage. He considered OSCE Minsk Group's current efforts in this direction as a new stage in its activity.

Indicating that during their visits to Yerevan and Khankendi [Stepanakert] the Armenian side consented to adhere to the cease-fire agreement, co-chairman of the OSCE Minsk Group Heikke Talvitie pointed out that the aim of the delegation is not to impose an unacceptable position on any side but to act as a mediator to bring the positions closer. The official also said that the Major Peace Agreement and the supplements to it were discussed with the other side.

At this point Geydar Aliyev decided to continue the discussions without the participation of the reporters. [end recording]

OSCE Official on Armenian-Azeri Conflict

LD2909203495 Moscow ITAR-TASS in English 1758 GMT 29 Sep 95

[By Sevindzh Abdullayeva and Viktor Shulman]

[FBIS Transcribed Text] BAKU, September 29 (Itar-Tass) — The statement by President of Azerbaijan Geydar Aliyev on the importance of maintaining the ceasefire regime in the zone of the Armenian-Azeri conflict, including the signing of a political agreement on its eventual settlement, was positively taken by the Armenian side.

This was stated here today by Heikke Talvitie, Finnish co-chairman of the Minsk Conference of the Organization for Security and Cooperation in Europe (OSCE) on Nagorno-Karabakh at a meeting with the president of Azerbaijan on the Finnish diplomat's return from Yerevan and Hankendi (Stepanakert).

Geydar Aliyev made the aforesaid statement on Tuesday during political consultations with representatives of this international peacemaking mission which were held behind closed doors in Baku.

Heikke Talvitie believes that the "subsequent maintenance of the ceasefire regime will speed up the negotiating process on the whole and allow to make a breakthrough in the settlement of the conflict".

He expressed hope that positive changes are likely to happen in early October during a regular meeting of the sides on Aland islands in Finland.

According to him, the participants in the meeting will consider details of a political agreement, as well as such key problems of the conflict as the liberation of the occupied Azeri territories, the return of refugees to the places of their permanent residence, giving security guarantees to Armenians from Nagorno-Karabakh and the subsequent determination of a status of this region of Azerbaijan.

Geydar Aliyev supported the Minsk group's proposal on the need to speed up the negotiating process. This is in the interests of Azerbaijan, he noted.

The institution of the co-chairmen of the Minsk conference and the Minsk group on Nagorno-Karabakh (these posts are now occupied by representatives of Finland and Russia, with the latter working on a permanent basis) can make a more weighty contribution to the peacemaking process, the president of Azerbaijan pointed out.

Talks Proposed With Iran on Caspian Offshore Oil Field

LD2909202595 Moscow INTERFAX in English 1632 GMT 29 Sep 95

[FBIS Transcribed Text] BAKU, Sept 29 (PIA-Interfax) - Baku Friday proposed that Tehran join the talks on exploration of Azerbaijan's oil field Shakh-Deniz. The field's recoverable stocks are estimated at 230 million tonnes of oil and 550 billion cubic meters of gas condensate.

The Iranian embassy in Baku issued a press release Friday that the president of the State Oil Company of the Azerbaijani Republic (SOCAR), N. Aliyev, had made this proposal at his meeting with Iranian Ambassador 'Ali Reza Bikdeli.

Commenting on this statement in an interview with Interfax's Petroleum Information Agency, Aliyev said Iran had initiated this meeting. He remarked that the relations between Azerbaijani and Iranian oil companies had somewhat deteriorated. He supported a resumption of the dialogue, saying the two countries' diplomatic missions could promote the process.

At the same time, Aliyev said the date of his visit to Iran had not been specified at the meeting, through he said he was ready to visit Tehran.

Baku had offered a part of its 20-percent share in exploration of the offshore oil fields Azeri, Chirag and Gyuneshli earlier this year. This project is estimated at more than $7 billion. However, an international consortium implementing the project insisted on the transfer of Azerbaijan's share to U.S. Exxon and Turkey's TRAO, pressured by the U.S. after this, Azerbaijani-Iranian relations worsened, though Baku repeatedly offered Iran participation on other exploration projects, particularly on Shakh-Deniz.

The SOCAR has a stake of 40 percent in the Shakh-Deniz project. According to its agreement with British Petroleum/Statoil and TRAO, Baku is entitled to split its stake at its own disposal. Azerbaijan is also negotiating the project with other western companies.

Georgia

Shevardnadze Praises Russia's Role in Georgia

LD3009083595 Moscow ITAR-TASS World Service in Russian 2240 GMT 29 Sep 95

[By ITAR-TASS correspondent Tengiz Pachkoriya]

[FBIS Translated Text] Tbilisi, 30 Sep — "Without Russia's active participation, it is impossible to restore the territorial integrity of Georgia, it is impossible to return refugees to the Abkhaz Autonomous Republic and it is impossible to set up Georgia's armed forces", Eduard Shevardnadze made such a statement during his interview on national television which was broadcast late on 29 September.

Without Russia's active participation, it is impossible to restore Georgia's territorial integrity at this stage of history, he said. He said that the normalization of relations with Russia is a turning point in the country's foreign policy, a turning point which meets the interests of both states.

Shevardnadze considers that without Russia's active participation it is impossible to set up Georgia's armed forces. He said that neither NATO nor Georgia's friends in the West and East will render major assistance to Georgia in setting up and developing the country's armed forces.

Shevardnadze Says Russian Aid Needed To Build Army

LD3009151695 Moscow INTERFAX in English 1440 GMT 30 Sep 95

[FBIS Transcribed Text] TBILISI, Sept 30 (Interfax) - The Georgian leader Eduard Shevardnadze has conceded that it was not easy for him to take the decision to establish Russian military bases in Georgia, but there was no alternative to it. He made that statement Friday evening, addressing the non-Georgian population on television.

We need to form an army of our own, but we shall not be able to do so without Russian aid, Shevardnadze said.

The biggest thing offered to us in these terms by the representative of the U.S. government, our countryman John Shalikashvili (Interfax's note: head of the united chiefs of staff) was a small quantity of uniforms and medical equipment for a hospital. In the meantime in exchange for the establishment of Russian military bases we shall acquire a battle-worthy army within a few years, Shevardnadze noted.

With reference to the Abkhaz problem he said that it is impossible to regain Georgia's territorial integrity at this stage without Russia's support. "We must be realists in this respect. We can expect serious aid from no one, but Russia," Shevardnadze pointed out.

Abkhaz Security Chief Notes Movement of Russian Units

LD3009153795 Moscow INTERFAX in English 1441 GMT 30 Sep 95

[FBIS Transcribed Text] SUKHUMI, Sept 30 (Interfax) - The chief of the Abkhaz Security Service Astamur Tarba told Interfax in an interview Saturday that Russian peacekeeping units are moving from Batumi (Georgia) to the Gali region of Abkhazia.

He said a battalion of up to 700 people, 70 percent of them Georgian contractual servicemen, was moving to Abkhazia. Tarba said Russian Deputy Commander of Land Troops, Lieutenant-General Aleksandr Sokolov had ordered to remove peacekeepers' checkpoints on the Inguri river which separates Abkhazia from Georgia.

The Russian Defense Ministry's information division denied the allegations about the Russian peacekeeping troops' movement in the zone of the Georgian-Abkhaz conflict.

Abkhazians Declare Amnesty Marking End of War

LD3009102595 Sukhumi Republic of Abkhazia Radio in Russian 0510 GMT 30 Sep 95

[FBIS Translated Text] The parliament of the Republic of Abkhazia held its session on 29 September. President Vladislav Ardzinba, Vice President Valeriy Arshba [name and title as heard], and Prime Minister Gennadiy Kakulia participated in the session. The session was opened by Parliament Speaker Sokrat Jinjolia. A draft resolution on declaring an amnesty to mark the second anniversary of the liberation of the Republic of Abkhazia on 30 September 1995 was submitted for consideration. Justice Minister Batal Tabaghua [name and title as heard] enumerated the categories of convicts covered by the amnesty. An additional paragraph was included in the draft resolution, which stated that wanted persons covered by the amnesty will be acquitted if they gave themselves up to the investigation bodies voluntarily during the next two months. Of the total number of 350 convicts and those under inquiry, 82 people are subject to amnesty.

Speaking at the session, President Vladislav Ardzinba said that this was the first instance in the history of our state, when an issue like this was considered. The present amnesty can in no circumstances be considered as an act of indulgence, because all serious crimes are outside its action, he said.

The session passed a resolution on declaring an amnesty.

Shevardnadze Denies Being Behind Terrorist Attack

LD2909224695 Moscow ITAR-TASS World Service in Russian 2156 GMT 29 Sep 95

[By ITAR-TASS correspondent Tengiz Pachkoriya]

[FBIS Translated Text] Tbilisi, 30 Sep — Speaking on national television on Friday [29 September] night, Eduard Shevardnadze, head of the Georgian state, described as ridiculous and stupid statements by some politicians and journalists that the terrorist act in Tbilisi on 29 August had allegedly been organized by Shevardnadze himself in order to boost his reputation.

Shevardnadze said the terrorist act had been the beginning of the far-reaching plans of certain forces which sought to stage a coup d'etat. The Georgian leader said he intended to continue uncompromising struggle against organized crime, mafia structures, and criminals, and for strengthening law and order in the republic.

Former Security Chief Blames Russia for Coup, Murders

LD3009165795 Tbilisi IBERIA in Georgian 1535 GMT 30 Sep 95

[FBIS Translated Text] Tbilisi, 30 Sep — Irakli Batiashvili, former head of the Georgian security service, told an IBERIA correspondent: "The killing of Giorgiy Chanturia (leader of National-Democratic Party) as well as the killing of Fred Woodruff, an employee of the U.S. Embassy (who was also an employee of the U.S. special service), in Georgia were instigated by the Russian special services.

"Russia also organized the 29 August terrorist act against Eduard Shevardnadze. Although local forces were the executors of the act, the instructions and inspiration came from Russia. In particular, Fedor Reut (the commander of Russian troops in Transcaucasia) and Marusin (the coordinator of the chief intelligence directorate of the Russian general staff in Transcaucasia) are links in the plan of execution of the terrorist act and further actions. Moreover, top echelons of military circles and representatives of the authorities in Moscow were aware of this. A month before, the head of the Georgian security service and Marusin left for Moscow and remained there until the terrorist act was carried out. In case Eduard Shevardnadze had been killed, an emergency situation would have been imposed in Georgia with the excuse to curb destabilization. The emergency situation would have been implemented by the Georgian security service with the support of Russian troops. The security service and the Mkhedrioni would have usurped all real power. However, it was planned to get rid of the Mkhedrioni and neutralize it later. Parliament Speaker Vakhtang Goguadze, who enjoys the Russian authorities' trust, was well informed about the plan."

Batiashvili accuses various Russia's state forces of instigating a number of terrorist acts in Georgia and staging the 29 August coup attempt.

Announcement on Plot To Kill Shevardnadze

LD0110113995 Moscow ITAR-TASS World Service in Russian 0948 GMT 1 Oct 95

[By ITAR-TASS correspondent Tengiz Pachkoria]

[FBIS Translated Text] Tbilisi, 1 Oct — Lieutenant General Igor Georgadze, former head of the state security service of Georgia, and Teymuraz Khachishvili, his deputy, were the main organizers of the attempt on the life of Eduard Shevardnadze, the head of the Georgian state, on 29 August. This was announced here today by Georgian Interior Minister Shota Kviraia, at a meeting of the staff of local authorities and law enforcement bodies. The prosecutor general has, according to the minister, already sanctioned the arrest of Igor Georgadze.

I. Georgadze and T. Khachishvili organized the terrorist act in the courtyard of the Georgian parliament together with leaders of the Mkhedrioni and Georgia's "Rescue Corps" organizations. Moreover, according to Sh. Kviraia, the terrorist plan was drawn up at the apartment of Igor Georgadze's father, retired General Panteleymon Georgadze, who is registered as one of the five candidates in Georgia's presidential elections on 5 November.

The actual implementation of the plan was under the control of T. Khachishvili and the leader of Georgia's "Rescue Corps," Gigla Gelashvili.

The interior minister also said that terrorist acts in Georgia over the past 18 months had been planned and carried out under the direction of Khachishvili, Gelashvili, and other leaders of the "Rescue Corps" and Mkhedrioni, as well as a number of operatives in the security service. They include the murder in April 1994 of Major General Giorgi Gulua, the republic's deputy interior minister; the reprisal in December 1994 against Giorgi Chanturia, the chairman of Georgia's National Democratic Party; and the murder in June 1995 of the politician Soliko Khabeyshvili, the chairman of the "Revival and Democracy Fund."

The terrorist act on 29 August was not the first attempt on Eduard Shevardnadze's life. There have also been previous terrorist actions against Georgia's head of state, in particular in June 1995 when terrorists installed a remote controlled explosive device in the lift of the apartment block where Khabeyshvili lived in the hope that Eduard Shevardnadze would enter the lift when coming to pay his last respects to the Revival and Democracy Fund's chairman. However, Kviraia said, Eduard Shevardnadze did not use the lift but went up to the apartment of the late Mr. Khabeyshvili on foot.

Georgadze Linked With Russian Anti-Yeltsin Forces

LD0110164195 Moscow ITAR-TASS World Service in Russian 1451 GMT 1 Oct 95

[By ITAR-TASS correspondent Tengiz Pachkoriya]

[FBIS Translated Excerpt] Tbilisi, 1 Oct — Georgian Interior Minister Shota Kviraia said today at a sitting of workers of the local bodies of power in the law and order organs that Igor Georgadze, former head of the Georgian State Security Service, "is linked with those forces in Russia who are against the current Russian leadership and President Yeltsin". [passage omitted]

Shevardnadze Requests Russian Aid in Finding Georgadze

LD0110152995 Moscow ITAR-TASS in English 1509 GMT 1 Oct 95

[By Tengiz Pachkoriya]

[FBIS Transcribed Text] TBILISI, October 1 (Itar-Tass) — Georgian leader Eduard Shevardnadze said on Sunday that his government is "taking all possible measures" to bring former Security Service chief Lieutenant-General Igor Georgadze from Moscow to Tbilisi.

Georgadze is charged with organising the August 29 car bomb attempt to assassinate Shevardnadze. Georgian Public Prosecutor Dzhamlet Babilashvili said earlier today that Georgadze is "outside Georgia and, according to available information, is hiding away in Moscow."

Speaking at a meeting with Georgian law enforcement officers in Tbilisi on Sunday, Shevardnadze pointed out that he "has requested the leaders of respective Russian structures to provide assistance on this issue," adding that "if respective Russian structures do not provide assistance, this will cause certain suspicions in the Georgian population."

Georgadze, 45, has been with the Security Service for more than 25 years. He was appointed head of the Georgian Security Service in October 1993, but was sacked two days after the car bomb attempt to assassinate Shevardnadze.

Georgadze is a son of Panteleymon Georgadze, the leader of the United Communist Party of Georgia, who is one of Shevardnadze's rivals in the upcoming presidential elections scheduled for November 5.

In his televised address on August 30, Georgadze stressed that his service had been receiving "signals about the preparation of a terrorist act against Shevardnadze for the last two months. This information was systematically relayed to the head of the Georgian state and his guards."

He told journalists that his sacking, made under the guise of the reorganisation of the secret services, is of "exclusively political nature."

Asked to confirm this statement, Russia's Federal Security Service press centre duty officer told Itar-Tass that he had no such information.

Shevardnadze on Terrorism, Rescue Corps

LD0210003495 Tbilisi Radio Tbilisi Network in Georgian 1809 GMT 1 Oct 95

[News conference by Georgian leader Eduard Shevardnadze and Interior Minister Shota Kviraia at the Cabinet of Ministers Session Hall in Tbilisi on 1 October — recorded]

[FBIS Translated Excerpt] [Shevardnadze] Good afternoon. Many of you attended today's republic-wide meeting that was held in this hall and know what was said at the meeting. However, there are many others who were unable to attend it. I have in front of me the text of a statement giving a brief account of the problems discussed at today's meeting. [passage omitted]

With the aim of restoring law and order in the country, the head of state issued an edict on 12 July 1994, concerning urgent anticrime measures. The edict set objectives in the fight against Mafia structures, terrorism, racketeering, and organized crime. However, the chosen path for stabilization and development in the country contradicted the interests of the Mafia and criminal world, whose individual representatives had infiltrated the republic's law-enforcement agencies. It is especially worrying that these dirty elements have managed to infiltrate the nucleus of the State Security Service and the Georgian Rescue Corps. In these organizations, dangerous criminals held leading posts, or, rather, they were the leaders of these organizations.

This was the reason for the lack of success, especially in the fight against terrorism. Terrorist acts, the cynicism and severity of which had shocked the country and international community, remained unsolved until recently. What happened on 29 August this year was a manifestation of the agony of the criminal and Mafia world and a brazen attempt to disrupt the constitutional process in Georgia. This is a political assessment of the incident. As for the legal one, an investigation is still under way. As expected, all these attacks have turned out to be connected to each other. The assassinations of Gia Chanturia, the chairman of the National-Democratic Party, Major General Gia Gulua, the deputy interior minister of Georgia, and Soliko Khabeishvili, the chairman of the Board of Directors of the Democracy and Revival Fund, have already been solved.

At today's meeting, all the relevant agencies received categorical orders to speed up their investigation into the attack on Former Defense Minister Gia Qarqarashvili, who was seriously wounded, and General Paata Datuashvili, who was killed, as well as the bomb attack on Deputy Defense Minister Kekelidze. There are signs that these extremely serious crimes will also be solved.

At the republic-wide meeting of heads of local administration and leaders of security and law-enforcement agencies held today, Shota Kviraia, the interior minister of the Republic of Georgia, Jamlet Babilashvili, the prosecutor general of the Republic of Georgia, and other law-enforcement officials said that we are dealing with a well-organized group of criminals led by high-ranking officials.

The meeting heard what the investigation had established beyond doubt: If successful, the terrorist act staged in the courtyard of the Georgian Parliament would have signalled the beginning of a coup d'etat. Such a coup would have been almost inevitable. People who have since been arrested testify that the organizers of the coup d'etat intended to set up another military council, or a so-called national salvation committee. They also intended to install a puppet civilian leader and then hold elections in order to legitimize their power — gained by terrorist methods — through bribery, blackmail, and armed intimidation. The public can imagine what would have followed their coming to power.

The experience of the recent past allows us to assume quite safely that the people of Georgia will have been doomed to a bloody dictatorship of neo-Bolsheviks — the most extreme type of neo-Bolsheviks — and thieves, to further chaos, the rule of criminals of every stripe and, yet again, the mass violation of the rights and interests of citizens. [passage omitted]

It was logical and legitimate that the question of abolishing and disbanding the Georgian Rescue Corps was raised at today's meeting. The Rescue Corps of the Republic of Georgia was set up urgently as one of the elements in the system of state government to provide assistance to the population in extreme conditions. It was mostly made up of young people who had taken an active part in the struggle for Georgia's territorial integrity. Many of them had received state decorations for their valor. The people and the state will not forget members of the Rescue Corps, or rather the Mkhedrioni, who sacrificed their lives in the struggle for the territorial integrity of their homeland. [passage omitted]

It must be also noted that the Rescue Corps has been infiltrated by individuals of dubious reputation. Not only did they change the goals of this organization envisaged by its charter, but, as the investigating authorities have now established, they also created a Rescue Corps that was a haven for criminals. Clans and Mafia groups, set up with the involvement or protection of many members of the Rescue Corps and its leaders, were engaged in illegal activities involving the use of arms, violence, and blackmail. Many members of the Rescue

Corps — hundreds of people — have been charged with various kinds of serious crime, including murder, robbery, banditry, and so on. Some leaders of the Rescue Corps, who are now under arrest, have been charged with planning and carrying out terrorist acts.

All this has been hampering the fight for the establishment of law and order in the republic and helping the antistate and antisocial activity of destructive forces. I have taken all this into consideration and signed an edict today abolishing the Georgian Rescue Corps' status as an organ of state government, as well as its republican bodies of government, the presidium of the Rescue Corps, the posts of chairman and deputy chairmen, the central apparatus, and regional branches. By the same edict, all property registered with the Rescue Corps is to be handed over to districts and towns. [passage omitted]

[Russian Television correspondent Kereselidze, in Russian with superimposed translation into Georgian] Mr. Shevardnadze, you have said in the past that the road to regaining Abkhazia goes through the establishment of order in Tbilisi. How much of the road to regaining Abkhazia do you think we have covered so far?

And another question. You have more than once stressed the importance for Georgian (?politics) of Russia's position. Are you confident that Moscow will take into account Georgia's interests and, for example, will extradite Igor Georgadze to Georgia?

[Shevardnadze, in Russian with superimposed translation into Georgian] As regards the return of refugees, intensive work is under way. This question is being actively discussed and ways of achieving a peaceful settlement of the problem are being sought. I cannot give you the date when real progress on this question will be made, but I can certainly say that the appropriate structures in Russia, the United Nations, and the UN secretary general's special envoys are dealing with this problem on a daily basis. I think that we are coming closer to the start of the stage-by-stage return of refugees to Abkhazia.

As for Moscow's position, I have already said that we are working with the Russian leadership to solve this problem, which is extremely acute for both us and Russia. [passage omitted]

[SAKINFORM correspondent Tamar Lolashvili] [passage omitted] Journalists learned today that before 29 August, frequent meetings were taking place in the flat of Panteleimon Georgadze [presidential candidate, chairman of the United Communist Party of Georgia, and father of Igor Georgadze] It was also alleged that these meetings had something to do with the attack. Are these reports true or not? [passage omitted]

[Shevardnadze] I understood from Mr. Kviraia's report that the terrorist act of 29 August was planned during a meeting that took place in that flat. Is that right?

[Kviraia] Yes, that is right. I see that there is a lot of interest in this matter, so I would like to make an official statement today. All four terrorist acts were planned in that flat, all four terrorist acts. In my report today, I focused on the latest terrorist act. However, I can now state officially that all four terrorist acts were planned in that flat. [passage omitted]

[AKHALI TAOBA correspondent Soso Zaalishvili] [passage omitted] Mr. Shevardnadze, do you think that the oil pipeline that the West is offering Georgia will be a guarantee of Georgian independence? We have learned that the U.S. Embassy has recently issued a statement saying that the West gives all-round support to the pipeline route via Georgia. [passage omitted]

[Shevardnadze] An oil pipeline in itself cannot be such a guarantee. However, if the pipeline goes through Georgian territory and if Georgia receives revenue from it, it will help us build an independent state. Thus, my position is to support actively the project which envisages oil transit via Georgia.

[REZONANSI correspondent Shota Zhorzholiani] Mr. Shevardnadze, I would like to continue on the subject of the oil pipeline. As is known, the [Azerbaijani] consortium will meet on 9 October to decide on the transit route for early oil. It is also known that a choice will have to be made between Poti and Batumi as the final point of this pipeline on Georgian territory. What will you propose to the consortium, which is to meet on 9 October?

And a second question. [passage omitted] Have criminal proceedings been instituted against Panteleimon Georgadze?

[Shevardnadze] The question whether the pipeline will pass via Poti or Batumi is not being examined at present. Now the consortium should decide in principle — I think this will happen at the level of heads of state — whether or not it will go through Georgia. If it goes through Georgia, then I do not think that it is really essential whether it will be Poti or Batumi. The consortium will choose the cheaper route. We are neither against Poti nor against Batumi. I wish there was enough oil to go through both towns.

As regards Panteleimon Georgadze, please do not ask me too many questions in this connection, because I can neither institute criminal proceedings nor conduct an investigation. It was said clearly today that all four acts had been planned in his flat. Now the question that the investigation will have to answer is whether or not he was present at these meetings and whether or not he was responsible for that. [passage omitted]

Latvia

Armed Forces To Participate in NATO Exercises

LD3009060295 Moscow INTERFAX in English 2344 GMT 29 Sep 95

[FBIS Transcribed Text] RIGA, Sept 29 (Interfax) — The Latvian Armed Forces intend to take part in nine international exercises within the NATO Partnership for Peace program, as well as in U.N. peacekeeping operations, Army Commander Colonel Juris Eihmanis said Friday [29 September]. He spoke at a news conference on the visit to Latvia of Major General Gunnar Lange, head of the Partnership for Peace Coordinating Committee.

In particular, Latvia will participate in the BALTTOPS Navy exercise in the Baltic Sea. Latvian peacekeepers will be used in U.N. operations as part of the Danish peacekeeping battalion.

Speaking about the prospects of NATO expansion, Lange told journalists that leaders of the alliance "will hardly have approved the order of the expansion by the end of 1995."

He stressed that the degree of participation in the Partnership for Peace program is defined not by NATO leaders but by countries themselves. He characterized the Latvian position as "rather active," as its plans for 1996 demonstrate.

ITAR-TASS on Latvian General Elections 1-2 Oct

LD3009085695 Moscow ITAR-TASS in English 0827 GMT 30 Sep 95

[By Galina Kuchina]

[FBIS Transcribed Text] RIGA, September 30 (Itar-Tass) — The general elections will be held in Latvia on Saturday and Sunday. Ten contenders from 19 political parties contest each parliamentary seat.

The ruling party Latvian Way which has the greatest number of seats in the present legislature — 30 percent, "is packing its suitcases". Its policy disenchanted all segments of population.

However, many preserved confidence in some of its functionaries, especially Parliament Speaker Anatolijs Gorbunov, Premier Maris Gailis and Interior Minister Janis Adamsons. According to preliminary forecasts, the party will win ten seats.

Nationalist forces — the Movement for National Independence, the Peasants' Union and Homeland and Freedom — are waiting for the results with elation. They have already appointed the shadow cabinet.

According to a remark by a political analyst, if radicals come to power, Latvian Way functionaries will be short of money to pay defence lawyers. "Nationalists" also announced their road to Europe as their priority task.

However, many items of their platforms, as analysts believe, run counter to this direction, since they contradict European standards.

The democratic party Saimnieks (Owner) founded only last April, sky-rocketed to stardom. It advocates protection of local businesses, opposes privileges to foreign capital, promises to slash taxes and to create new jobs.

The National Accord Party hopes for a serious support of non-ethnic Latvian citizens. It champions equal social and economic opportunities for all citizens, a third of whom, having no citizenship, is deprived of many human rights.

The Socialist Party also hopes for votes of Russian-speaking population. However, sluggish activities of its group in parliament will affect its election results.

It is expected that not a single party will carry the elections. President Guntis Ulmanis expressed a supposition in the Diena newspaper that at least three parties would be needed to form a new cabinet.

He pointed to education as the main task of a future cabinet of ministers: "Ignorance leads back to the East, education — to the West".

Provisional Election Results Show Close Race

LD0210072995 Riga Radio Riga Network in Latvian 0600 GMT 2 Oct 95

[FBIS Translated Text] According to provisional results of the elections to the Sixth Saeima [Parliament], nine parties have secured over 5 percent of the total number of votes. The calculations show that the Democratic Party Saimnieks [Master] has secured 18 seats in the [100-seat] parliament, the Latvian Way - 17 seats, the People's Movement for Latvia [Zigerists's Party] - 16 seats, and the Union for the Fatherland and Freedom - 14 seats.

The Latvian Unity Party and the LNNK [Latvian National Independence Movement] together with the Green Party have also overcome the 5 percent barrier. They will have eight seats in the Saeima. The coalition of the Latvian Union of Peasants has secured seven seats in the Sixth Saeima, while the Latvian Socialist Party has six.

These are unofficial results of the elections. However, it is already clear that the overall turnout of the electorate was a little low — 72 percent, compared to last time when the turnout was over 88 percent.

Lithuania

Prime Minister Slezevicius Stops in Tashkent

LD2909205995 Moscow ITAR-TASS World Service in Russian 1601 GMT 29 Sep 95

[By ITAR-TASS correspondent Vilor Niyazmatov]

[FBIS Translated Text] Tashkent, 29 Sep — Today the prime minister of Lithuania Adolfas Slezevicius set-off on an official visit to Vietnam and the Philippines making a short stop-over in Tashkent. A meeting with Abdulkhasim Mutalov, prime minister of Uzbekistan, took place during which issues of concluding an agreement on legal mutual assistance, metrology, standardization, and international automobile transport. The drafts, given earlier to the Uzbek side for examination, were discussed. Both sides showed interest in discussing the issue of using the port of Klaipeda for freight of Uzbekistan and also the development of bilateral trade and economic ties.

Exchange of views also took place on issues of cooperation between the countries at the level of the CIS and Central Asia and also on the issue of the expansion of NATO.

The Uzbek side informed the Lithuanian side about its interest in developing relations with Lithuania in spheres such as transport and business communications and freightage of Lithuanian ships for transporting Uzbek goods.

During the meeting talks were held about using the experience of Lithuanian specialists in the textile industry and supplying Uzbekistan with Lithuanian agricultural products.

Russia's Intent To Equip Belarusian Borders Welcomed

LD2909170395 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 29 Sep 95

[FBIS Translated Text] Leaders of the the Lithuanian state border control service expect that Russia's intent of considerable investment in equipping the Belarusian state border with the Baltic states would be beneficial to Lithuania.

A strong state border in the East will be a good filter for the influx of illegal immigrants, Stanislovas Stancikas, chief commissar and head of the Lithuanian border protection department, said in an interview to Baltic News Service.

According to him, there are almost one third of a million illegal immigrants in Belarus who intend to get to the Western countries through Lithuania and Poland.

Stancikas described the relations with Belarusian counterparts as an orderly and businesslike cooperation. He thinks that policemen should not be engaged in politics.

Lithuania has no immediate plans to increase its forces along the Eastern border, unless for purposes of improving border protection.

Chief of the Belarusian border troops told journalists this week that he had appealed to Lithuania for help in supplying equipment to the border troops, or at least equipment for communications, and that he was given a negative response.

Stancikas said he had never received such a request. However, the chief of the Lithuanian border protection department believes that it is possible to cooperate, at least in exchanging information and experience.

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